

ANNUAL STATEMENT

OF THE

Victory Health Plan, Inc.

of

Brentwood

in the state of

Tennessee

TO THE

Insurance Department

OF THE STATE OF

Tennessee

FOR THE YEAR ENDED
DECEMBER 31, 2003

2003

ANNUAL STATEMENT

For the Year Ending December 31, 2003

OF THE CONDITION AND AFFAIRS OF THE

Victory Health Plan, Inc.

NAIC Group Code	1268	1268	NAIC Company Code	95792	Employer's ID Number	62-1531881
	(Current Period)	(Prior Period)				
Organized under the Laws of	Tennessee		State of Domicile or Port of Entry	Tennessee		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[]	Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X]	Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]			
Date Incorporated or Organized	05/14/1993		Date Commenced Business	01/01/1994		
Statutory Home Office	215 Centerview Drive, Suite 300		Brentwood, TN 37027			
	(Street and Number)		(City, or Town, State and Zip Code)			
Main Administrative Office	215 Centerview Drive, Suite 300					
	(Street and Number)					
	Brentwood, TN 37027		(615)782-7800			
	(City or Town, State and Zip Code)		(Area Code) (Telephone Number)			
Mail Address	215 Centerview Drive, Suite 300		Brentwood, TN 37027			
	(Street and Number or P.O. Box)		(City, or Town, State and Zip Code)			
Primary Location of Books and Records	215 Centerview Drive, Suite 300					
	(Street and Number)					
	Brentwood, TN 37027		(615)782-7914			
	(City, or Town, State and Zip Code)		(Area Code) (Telephone Number)			
Internet Website Address						
Statutory Statement Contact	Jennifer Giannotti		(615)782-7914			
	(Name)		(Area Code)(Telephone Number)(Extension)			
	jgiannotti@vhptn.com		(615)782-7826			
	(E-Mail Address)		(Fax Number)			
Policyowner Relations Contact						
			(Street and Number)			
	(City, or Town, State and Zip Code)		(Area Code) (Telephone Number)(Extension)			

OFFICERS

President	Michael Bailey
Secretary	Willis Jones
Treasurer	

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

Philip Hertik	Willis Jones
Michael Bailey	

State of	Tennessee
County of	Williamson ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

(Signature)	(Signature)	(Signature)
Michael Bailey	Willis Jones	
(Printed Name)	(Printed Name)	(Printed Name)
President	Secretary	Treasurer
	a. Is this an original filing?	Yes[] No[X]
	b. If no,	
	1. State the amendment number	
	2. Date filed	
	3. Number of pages attached	

Subscribed and sworn to before me this
_____ day of _____, 2004

(Notary Public Signature)

ASSETS

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols.1-2)	Net Admitted Assets
1.	Bonds (Schedule D)	1,327,515		1,327,515	1,234,409
2.	Stocks (Schedule D)				
2.1	Preferred stocks				
2.2	Common Stocks				
3.	Mortgage loans on real estate (Schedule B):				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate (Schedule A):				
4.1	Properties occupied by the company (less \$..... encumbrances)				
4.2	Properties held for the production of income (less \$..... encumbrances)				
4.3	Properties held for sale (less \$..... encumbrances)				
5.	Cash (\$.....3,251,451 Schedule E Part 1), cash equivalents (\$..... Schedule E Part 2) and short-term investments (\$..... Schedule DA)	3,251,451		3,251,451	4,768,673
6.	Contract loans (including \$..... premium notes)				
7.	Other invested assets (Schedule BA)				
8.	Receivable for securities				
9.	Aggregate write-ins for invested assets				
10.	Subtotals, cash and invested assets (Lines 1 to 9)	4,578,966		4,578,966	6,003,082
11.	Investment income due and accrued	8,594	1,134	7,460	13,625
12.	Premiums and considerations				
12.1	Uncollected premiums and agents' balances in the course of collection				
12.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$..... earned but unbilled premiums)				
12.3	Accrued retrospective premiums				
13.	Reinsurance:				
13.1	Amounts recoverable from reinsurers				
13.2	Funds held by or deposited with reinsured companies				
13.3	Other amounts receivable under reinsurance contracts				
14.	Amounts receivable relating to uninsured plans	341,224	317,753	23,471	155,869
15.1	Current federal and foreign income tax recoverable and interest thereon ...				
15.2	Net deferred tax asset				
16.	Guaranty funds receivable or on deposit				
17.	Electronic data processing equipment and software				
18.	Furniture and equipment, including health care delivery assets (\$.....)				
19.	Net adjustment in assets and liabilities due to foreign exchange rates				
20.	Receivables from parent, subsidiaries and affiliates				253,356
21.	Health care (\$.....9,268) and other amounts receivable	9,268	9,268		175,349
22.	Other assets nonadmitted				
23.	Aggregate write-ins for other than invested assets				
24.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	4,938,052	328,155	4,609,897	6,601,281
25.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26.	Total (Lines 24 and 25)	4,938,052	328,155	4,609,897	6,601,281
DETAILS OF WRITE-INS					
0901	.....			
0902	.....			
0903	.....			
0998.	Summary of remaining write-ins for Line 9 from overflow page				
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)				
2301.	.....			
2302	.....			
2303	.....			
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)				

LIABILITIES, CAPITAL AND SURPLUS

		Current Year			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$..... reinsurance ceded)	124,618		124,618	656,510
2.	Accrued medical incentive pool and bonus amounts				227,689
3.	Unpaid claims adjustment expenses				
4.	Aggregate health policy reserves				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserves				
7.	Aggregate health claim reserves				
8.	Premiums received in advance				
9.	General expenses due or accrued	82,640		82,640	84,150
10.1	Current federal and foreign income tax payable and interest thereon (including \$..... on realized capital gains (losses))				
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittance and items not allocated				
14.	Borrowed money (including \$..... current) and interest thereon \$..... (including \$..... current)				
15.	Amounts due to parent, subsidiaries and affiliates	972		972	160,300
16.	Payable for securities				
17.	Funds held under reinsurance treaties with (\$..... authorized reinsurers and \$..... unauthorized reinsurers)				
18.	Reinsurance in unauthorized companies				
19.	Net adjustments in assets and liabilities due to foreign exchange rates				
20.	Liability for amounts held under uninsured accident and health plans	124,718		124,718	
21.	Aggregate write-ins for other liabilities (including \$..... current)				
22.	TOTAL Liabilities (Lines 1 to 21)	332,948		332,948	1,128,649
23.	Common capital stock	X X X	X X X	100,000	100,000
24.	Preferred capital stock	X X X	X X X		
25.	Gross paid in and contributed surplus	X X X	X X X	85,190,279	85,190,279
26.	Surplus notes	X X X	X X X	4,231,300	4,231,300
27.	Aggregate write-ins for other than special surplus funds	X X X	X X X	(6,955,991)	(6,955,991)
28.	Unassigned funds (surplus)	X X X	X X X	(78,288,639)	(77,092,956)
29.	Less treasury stock, at cost:	X X X	X X X		
29.1	..... shares common (value included in Line 23 \$.....)	X X X	X X X		
29.2	..... shares preferred (value included in Line 24 \$.....)	X X X	X X X		
30.	TOTAL capital and surplus (Lines 23 to 28 minus Line 29)	X X X	X X X	4,276,949	5,472,632
31.	TOTAL Liabilities, capital and surplus (Lines 22 and 30)	X X X	X X X	4,609,897	6,601,281
DETAILS OF WRITE-INS					
2101	.....			
2102	.....			
2103	.....			
2198.	Summary of remaining write-ins for Line 21 from overflow page				
2199.	TOTALS (Lines 2101 through 2103 plus 2198) (Line 21 above)				
2701.	Dividend to Vanderbilt University	X X X	X X X	(6,955,991)	(6,955,991)
2702	.....	X X X	X X X		
2703	.....	X X X	X X X		
2798.	Summary of remaining write-ins for Line 27 from overflow page	X X X	X X X		
2799.	TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)	X X X	X X X	(6,955,991)	(6,955,991)

STATEMENT OF REVENUE AND EXPENSES

		Current Year		Prior Year
		1 Uncovered	2 Total	3 Total
1.	Member Months	X X X	334,760	389,254
2.	Net premium income (including \$..... non-health premium income)	X X X	23,373	32,340,696
3.	Change in unearned premium reserves and reserve for rate credits	X X X		
4.	Fee-for-service (net of \$..... medical expenses)	X X X		
5.	Risk revenue	X X X		
6.	Aggregate write-ins for other health care related revenues	X X X		
7.	Aggregate write-ins for other non-health revenues	X X X		
8.	TOTAL revenues (Lines 2 to 7)	X X X	23,373	32,340,696
Hospital and Medical:				
9.	Hospital/medical benefits		(2,757)	27,988,289
10.	Other professional services			
11.	Outside referrals			
12.	Emergency room and out-of-area			
13.	Prescription drugs			
14.	Aggregate write-ins for other hospital and medical			
15.	Incentive pool, withhold adjustments and bonus amounts		15	227,689
16.	Subtotal (Lines 9 to 15)		(2,742)	28,215,978
Less:				
17.	Net reinsurance recoveries			
18.	TOTAL hospital and medical (Lines 16 minus 17)		(2,742)	28,215,978
19.	Non-health claims			
20.	Claims adjustment expenses			
21.	General administrative expenses		977,733	5,142,092
22.	Increase in reserves for life and accident and health contracts (including \$..... increase in reserves for life only)			
23.	TOTAL underwriting deductions (Lines 18 through 22)		974,991	33,358,070
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	(951,618)	(1,017,374)
25.	Net investment income earned		84,090	17,601
26.	Net realized capital gains or (losses)			
27.	Net investment gains or (losses) (Lines 25 plus 26)		84,090	17,601
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....) (amount charged off \$.....)]			
29.	Aggregate write-ins for other income or expenses			
30.	Net income or (loss) before federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	(867,528)	(999,773)
31.	Federal and foreign income taxes incurred	X X X		(76,819)
32.	Net income (loss) (Lines 30 minus 31)	X X X	(867,528)	(922,954)
DETAILS OF WRITE-INS				
0601	.....	X X X		
0602	.....	X X X		
0603	.....	X X X		
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X		
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X		
0701	.....	X X X		
0702	.....	X X X		
0703	.....	X X X		
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X		
0799.	TOTALS (Line 0701 through 0703 plus 0798) (Line 7 above)	X X X		
1401	.....		
1402	.....		
1403	.....		
1498.	Summary of remaining write-ins for Line 14 from overflow page			
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)			
2901	.....		
2902	.....		
2903	.....		
2998.	Summary of remaining write-ins for Line 29 from overflow page			
2999.	TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above)			

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2
		Current Year	Prior Year
CAPITAL & SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	5,472,632	6,395,586
GAINS AND LOSSES TO CAPITAL & SURPLUS			
34.	Net income or (loss) from Line 32	(867,528)	(922,954)
35.	Change in valuation basis of aggregate policy and claim reserves		
36.	Net unrealized capital gains and losses		
37.	Change in net unrealized foreign exchange capital gain or (loss)		
38.	Change in net deferred income tax		
39.	Change in nonadmitted assets	(328,155)	
40.	Change in unauthorized reinsurance		
41.	Change in treasury stock		
42.	Change in surplus notes		
43.	Cumulative effect of changes in accounting principles		
44.	Capital Changes:		
44.1	Paid in		
44.2	Transferred from surplus (Stock Dividend)		
44.3	Transferred to surplus		
45.	Surplus adjustments:		
45.1	Paid in		
45.2	Transferred to capital (Stock Dividend)		
45.3	Transferred from capital		
46.	Dividends to stockholders		
47.	Aggregate write-ins for gains or (losses) in surplus		
48.	Net change in capital and surplus (Lines 34 to 47)	(1,195,683)	(922,954)
49.	Capital and surplus end of reporting year (Line 33 plus 48)	4,276,949	5,472,632
DETAILS OF WRITE-INS			
4701.	Dividend to Vanderbilt University		
4702	.....	
4703	.....	
4798.	Summary of remaining write-ins for Line 47 from overflow page		
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)		

Victory Health Plan, Inc.

Report #2A: TENNCARE OPERATIONS STATEMENT OF REVENUES & EXPENSES

		Current Year	Prior Year
	MEMBER MONTHS	334,760	389,254
	REVENUES:		
1.	TennCare Capitation	52,196,482	60,034,489
2.	Investment	106,522	194,025
3.	Other Revenue (Provide Detail)	-	-
4.	TOTAL REVENUES (Lines 1 to 3)	52,303,004	60,228,514
	EXPENSES:		
	Medical and Hospital Services		
5.	Capitated Physician Services	567,696	698,553
6.	Fee-for-Service Physician Services	2,776,142	2,324,280
7.	Inpatient Hospital Services	2,872,488	2,388,724
8.	Outpatient Services	3,477,308	2,412,524
9.	Emergency Room Services	-	-
10.	Mental Health Services	-	-
11.	Dental Services	6,020	1,325,823
12.	Vision Services	134,256	133,439
13.	Pharmacy Services	5,114,560	11,370,909
14.	Home Health Services	909,120	1,081,926
15.	Chiropractic Services	Not available	Not available
16.	Radiology Services	Not available	Not available
17.	Laboratory Services	-	-
18.	Durable Medical Equipment Services	Not available	Not available
19.	Transportation Services	1,119,110	1,045,178
20.	Outside Referrals	-	-
21.	Medical Incentive Pool and Withhold Adjustments	-	-
22.	Occupancy, Depreciation, and Amortization	-	-
23.	Other Medical and Hospital Services (Provide Detail)	29,282,442	29,061,234
24.	Subtotal (Lines 5 to 23)	46,259,142	51,842,590
25.	Reinsurance Expenses Net of Recoveries	11,586	-
	LESS:		
26.	Copayments	Not available	Not available
27.	Subrogation	Not available	Not available
28.	Coordination of Benefits	Not available	Not available
29.	Subtotal (Lines 26 to 28)	-	-
30.	TOTAL MEDICAL AND HOSPITAL (Lines 24 and 25 less 29)	46,270,728	51,842,590
	Administraton:		
31.	Compensation	2,355,011	2,594,068
32.	Marketing	-	-
33.	Interest Expense	-	163,456
34.	Premium Tax Expense	960,320	888,069
35.	Occupancy, Depreciation, and Amortization	22,432	12,967
36.	Other Administrative (Provide Detail)	2,613,442	4,136,616
37.	TOTAL ADMINISTRATION (Lines 31 to 36)	5,951,205	7,795,176
38.	TOTAL EXPENSES (Lines 30 and 37)	52,221,933	59,637,766
39.	NET INCOME (LOSS) (Line 4 less Line 38)	81,070	590,747

23.	Detail of Other Medical and Hospital:		
	Ancillary Claims (includes DME, lab, rad, chiro, MH/SA, etc.)	1,030,059	879,179
	IBNR Adjustment	(37,337)	1,406,543
	Global Capitation	28,289,721	26,775,512
	Total Other Medical and Hospital	29,282,442	29,061,234

36.	Detail of Other Administrative:		
	Other Taxes and License Fees	660	2,140
	Consulting, Accounting, Legal Expense	61,520	75,932
	Bank Service Charges	-	-
	Pharmacy Administrative Expense	-	-
	Insurance Expense	-	-
	Physician Advisory Committee/ Med Dir Services	-	-
	Other Misc. Expenses	2,551,262	4,058,544
	Total Other Administrative	2,613,442	4,136,616

CASH FLOW

		1	2
		Current Year	Prior Year
Cash from Operations			
1.	Premiums collected net of reinsurance	23,373	32,614,246
2.	Net investment income	111,553	30,310
3.	Miscellaneous income		
4.	Total (Lines 1 through 3)	134,926	32,644,556
5.	Benefit and loss related payments	709,666	31,628,475
6.	Net transfers to Separate, Segregated and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	826,944	5,704,983
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) \$...... net tax on capital gains (losses)		253,356
10.	Total (Lines 5 through 9)	1,536,610	37,586,814
11.	Net cash from operations (Lines 4 minus 10)	(1,401,684)	(4,942,258)
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	440,000	570,000
12.2	Stocks		
12.3	Mortgage loans		
12.4	Real estate		
12.5	Other invested assets		
12.6	Net gains or (losses) on cash and short-term investments		
12.7	Miscellaneous proceeds		
12.8	Total investment proceeds (Lines 12.1 to 12.7)	440,000	570,000
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	555,538	805,053
13.2	Stocks		
13.3	Mortgage loans		
13.4	Real estate		
13.5	Other invested assets		
13.6	Miscellaneous applications		
13.7	Total investments acquired (Lines 13.1 to 13.6)	555,538	805,053
14.	Net increase (or decrease) in policy loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(115,538)	(235,053)
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock		
16.3	Borrowed funds received		
16.4	Net deposits on deposit-type contracts and other insurance liabilities		
16.5	Dividends to stockholders		
16.6	Other cash provided (applied)		
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)		
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS			
18.	Net change in cash and short-term investments (Line 11, plus Line 15, plus Line 17)	(1,517,222)	(5,177,311)
19.	Cash and short-term investments:		
19.1	Beginning of year	4,768,673	9,945,984
19.2	End of year (Line 18 plus Line 19.1)	3,251,451	4,768,673

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

(Gain and Loss Exhibit)

		1	2	3	4	5	6	7	8	9	10	11	12	13
		Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employee Health Benefit Plan	Title XVIII- Medicare	Title XIX- Medicaid	Stop Loss	Disability Income	Long- term Care	Other Health	Other Non-Health
1.	Net premium income	23,373							23,373					
2.	Change in unearned premium reserves and reserve for rate credit													
3.	Fee-for-service (net of \$..... medical expenses)													X X X
4.	Risk revenue													X X X
5.	Aggregate write-ins for other health care related revenues													X X X
6.	Aggregate write-ins for other non-health care related revenues		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
7.	TOTAL revenues (Lines 1 to 6)	23,373							23,373					
8.	Hospital/medical benefits	(2,757)							(2,757)					X X X
9.	Other professional services													X X X
10.	Outside referrals													X X X
11.	Emergency room and out-of-area													X X X
12.	Prescription drugs													X X X
13.	Aggregate write-ins for other hospital and medical													X X X
14.	Incentive pool, withhold adjustments and bonus amounts	15							15					X X X
15.	Subtotal (Lines 8 to 14)	(2,742)							(2,742)					X X X
16.	Net reinsurance recoveries													X X X
17.	TOTAL hospital and medical (Lines 15 minus 16)	(2,742)							(2,742)					X X X
18.	Non-health claims (net)		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
19.	Claims adjustment expenses													
20.	General administrative expenses	977,733							977,733					
21.	Increase in reserves for accident and health contracts													X X X
22.	Increase in reserves for life contracts		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
23.	TOTAL underwriting deductions (Lines 17 to 22)	974,991							974,991					
24.	Net underwriting gain or (loss) (Line 7 minus Line 23)	(951,618)							(951,618)					
DETAILS OF WRITE-INS														
0501	.....													X X X
0502	.....													X X X
0503	.....													X X X
0598.	Summary of remaining write-ins for Line 5 from overflow page													X X X
0599.	TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)													X X X
0601	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0602	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0603	.....		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0698.	Summary of remaining write-ins for Line 6 from overflow page		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
1301	.....													X X X
1302	.....													X X X
1303	.....													X X X
1398.	Summary of remaining write-ins for Line 13 from overflow page													X X X
1399.	TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above)													X X X

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

		1	2	3	4
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Columns 1 + 2 - 3)
1.	Comprehensive (hospital and medical) .....	.....	.....	.....	.....
2.	Medicare Supplement .....	.....	.....	.....	.....
3.	Dental only .....	.....	.....	.....	.....
4.	Vision only .....	.....	.....	.....	.....
5.	Federal Employee Health Benefits Plan .....	.....	.....	.....	.....
6.	Title XVIII - Medicare .....	.....	.....	.....	.....
7.	Title XIX - Medicaid	23,373	.....	.....	23,373
8.	Stop loss .....	.....	.....	.....	.....
9.	Disability income .....	.....	.....	.....	.....
10.	Long-term care .....	.....	.....	.....	.....
11.	Other health .....	.....	.....	.....	.....
12.	Health subtotal (Lines 1 through 11)	23,373	.....	.....	23,373
13.	Life .....	.....	.....	.....	.....
14.	Property/casualty .....	.....	.....	.....	.....
15.	TOTALS (Lines 12 to 14)	23,373	.....	.....	23,373

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - Claims Incurred During the Year

		1	2	3	4	5	6	7	8	9	10	11	12	13
		Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other Health	Other Non-Health
1.	Payments during the year:													
	1.1 Direct	529,135							529,135					
	1.2 Reinsurance assumed													
	1.3 Reinsurance ceded													
	1.4 Net	529,135							529,135					
2.	Paid medical incentive pools and bonuses	227,704							227,704					
3.	Claim liability December 31, current year from Part 2A:													
	3.1 Direct	124,618							124,618					
	3.2 Reinsurance assumed													
	3.3 Reinsurance ceded													
	3.4 Net	124,618							124,618					
4.	Claim reserve December 31, current year from Part 2D:													
	4.1 Direct													
	4.2 Reinsurance assumed													
	4.3 Reinsurance ceded													
	4.4 Net													
5.	Accrued medical incentive pools and bonuses, current year													
6.	Amounts recoverable from reinsurers December 31, current year													
7.	Claim liability December 31, prior year from Part 2A:													
	7.1 Direct	656,510							656,510					
	7.2 Reinsurance assumed													
	7.3 Reinsurance ceded													
	7.4 Net	656,510							656,510					
8.	Claim reserve December 31, prior year from Part 2D:													
	8.1 Direct													
	8.2 Reinsurance assumed													
	8.3 Reinsurance ceded													
	8.4 Net													
9.	Accrued medical incentive pools and bonuses, prior year	227,689							227,689					
10.	Amounts recoverable from reinsurers December 31, prior year													
11.	Incurred benefits:													
	11.1 Direct	(2,757)							(2,757)					
	11.2 Reinsurance assumed													
	11.3 Reinsurance ceded													
	11.4 Net	(2,757)							(2,757)					
12.	Incurred medical incentive pools and bonuses	15							15					

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - Claims Liability End of Current Year

		1	2	3	4	5	6	7	8	9	10	11	12	13
		Total	Compre- hensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other Health	Other Non-Health
1.	Reported in Process of Adjustment:													
	1.1 Direct	124,618							124,618					
	1.2 Reinsurance assumed													
	1.3 Reinsurance ceded													
	1.4 Net	124,618							124,618					
2.	Incurred but Unreported:													
	2.1 Direct													
	2.2 Reinsurance assumed													
	2.3 Reinsurance ceded													
	2.4 Net													
3.	Amounts Withheld from Paid Claims and Capitations:													
	3.1 Direct													
	3.2 Reinsurance assumed													
	3.3 Reinsurance ceded													
	3.4 Net													
4.	TOTALS													
	4.1 Direct	124,618							124,618					
	4.2 Reinsurance assumed													
	4.3 Reinsurance ceded													
	4.4 Net	124,618							124,618					

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B - ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business		Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
		1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1.	Comprehensive (hospital and medical) .....	.....	.....	.....	.....	.....	.....
2.	Medicare Supplement .....	.....	.....	.....	.....	.....	.....
3.	Dental only .....	.....	.....	.....	.....	.....	.....
4.	Vision only .....	.....	.....	.....	.....	.....	.....
5.	Federal Employees Health Benefits Plan .....	.....	.....	.....	.....	.....	.....
6.	Title XVIII - Medicare .....	.....	.....	.....	.....	.....	.....
7.	Title XIX - Medicaid	529,135	.....	124,618	.....	653,753	656,510
8.	Other health .....	.....	.....	.....	.....	.....	.....
9.	Health subtotal (Lines 1 to 8)	529,135	.....	124,618	.....	653,753	656,510
10.	Other non-health .....	.....	.....	.....	.....	.....	.....
11.	Medical incentive pool and bonus amounts	227,704	.....	.....	.....	227,704	227,689
12.	TOTALS (Lines 9 to 11)	756,839	.....	124,618	.....	881,457	884,199

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (000 Omitted)

Grand Total

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 1999	2 2000	3 2001	4 2002	5 2003
1.	Prior	2,299	29	(1)	(27)	(12)
2.	1999	12,548	3,657	39	(28)	(17)
3.	2000	X X X	17,507	1,223	(4)	1
4.	2001	X X X	X X X	34,765	1,295	325
5.	2002	X X X	X X X	X X X	27,782	231
6.	2003	X X X	X X X	X X X	X X X	

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
		1 1999	2 2000	3 2001	4 2002	5 2003
1.	Prior	2,383	29	(1)	(27)	(12)
2.	1999	16,686	3,657	39	(28)	(17)
3.	2000	X X X	18,730	1,223	(4)	1
4.	2001	X X X	X X X	35,211	2,802	(21)
5.	2002	X X X	X X X	X X X	26,886	46
6.	2003	X X X	X X X	X X X	X X X	

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	Prior to 1999	X X X	(18)		X X X	(18)	X X X			(18)	X X X
2.	1999	22,048	(28)			(28)	(0.127)			(28)	(0.127)
3.	2000	23,154	(4)			(4)	(0.017)			(4)	(0.017)
4.	2001	45,751	1,297			1,297	2.835	1,505		2,802	6.124
5.	2002	32,214	27,782			27,782	86.242	(849)		26,933	83.607
6.	2003										
7.	TOTAL (Lines 1 through 6)	X X X	29,029		X X X	29,029	X X X	656		29,685	X X X
8.	TOTAL (Lines 2 through 6)	123,167	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X

12 Total

12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Hospital and Medical. . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Hospital and Medical. . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Hospital and Medical. . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Medicare Supplement	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Medicare Supplement . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Medicare Supplement . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Dental Only.	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Dental Only.	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Dental Only.	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Vision Only.	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Vision Only.	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Vision Only.	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Fed Emp HBPP.	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Fed Emp HBPP.	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Fed Emp HBPP.	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Title XVIII-Medicare	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Title XVIII-Medicare	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Title XVIII-Medicare	NONE

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (000 Omitted)
Title XIX - Medicaid

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 1999	2 2000	3 2001	4 2002	5 2003
1.	Prior	2,299	29	(1)	(27)	(12)
2.	1999	12,548	3,657	39	(28)	(17)
3.	2000	X X X	17,507	1,223	(4)	1
4.	2001	X X X	X X X	34,765	1,295	325
5.	2002	X X X	X X X	X X X	27,782	231
6.	2003	X X X	X X X	X X X	X X X	

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
		1 1999	2 2000	3 2001	4 2002	5 2003
1.	Prior	2,383	29	(1)	(27)	(12)
2.	1999	16,686	3,657	39	(28)	(17)
3.	2000	X X X	18,730	1,223	(4)	1
4.	2001	X X X	X X X	35,211	2,802	(21)
5.	2002	X X X	X X X	X X X	26,886	46
6.	2003	X X X	X X X	X X X	X X X	

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	Prior to 1999	X X X	(18)		X X X	(18)	X X X			(18)	X X X
2.	1999	22,048	(28)			(28)	(0.127)			(28)	(0.127)
3.	2000	23,154	(4)			(4)	(0.017)			(4)	(0.017)
4.	2001	45,751	1,297			1,297	2.835	1,505		2,802	6.124
5.	2002	32,214	27,782			27,782	86.242	(849)		26,933	83.607
6.	2003										
7.	TOTAL (Lines 1 through 6)	X X X	29,029		X X X	29,029	X X X	656		29,685	X X X
8.	TOTAL (Lines 2 through 6)	123,167	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X

12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Other NONE

12 Underwriting Invest Exh Pt 2C Sn B - Incur Claims - Other NONE

12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Other NONE

13 Underwriting Invest Exh Pt 2D - A & H Reserve - NONE

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

	1	2	3	4
	Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent (\$..... for occupancy of own building)		319,447		319,447
2. Salaries, wages and other benefits		2,239,423		2,239,423
3. Commissions (less \$..... ceded plus \$..... assumed) ...				
4. Legal fees and expenses		63,564		63,564
5. Certifications and accreditation fees				
6. Auditing, actuarial and other consulting services		317,831		317,831
7. Traveling expenses		31,448		31,448
8. Marketing and advertising		12,376		12,376
9. Postage, express and telephone		177,791		177,791
10. Printing and office supplies		188,831		188,831
11. Occupancy, depreciation and amortization		57,331		57,331
12. Equipment		126,946		126,946
13. Cost or depreciation of EDP equipment and software				
14. Outsourced services including EDP, claims, and other services		890,398		890,398
15. Boards, bureaus and association fees		12,620		12,620
16. Insurance, except on real estate		264,130		264,130
17. Collection and bank service charges		41,409		41,409
18. Group service and administration fees				
19. Reimbursements by uninsured accident and health plans				
20. Reimbursements from fiscal intermediaries				
21. Real estate expenses				
22. Real estate taxes		4,057		4,057
23. Taxes, licenses and fees:				
23.1 State and local insurance taxes				
23.2 State premium taxes		467		467
23.3 Regulator authority licenses and fees		1,240		1,240
23.4 Payroll taxes		161,072		161,072
23.5 Other (excluding federal income and real estate taxes)		2,861		2,861
24. Investment expenses not included elsewhere				
25. Aggregate write-ins for expenses		(3,935,508)		(3,935,508)
26. Total expenses incurred (Lines 1 to 25)		977,734		(a)..... 977,734
27. Less expenses unpaid December 31, current year		83,612		83,612
28. Add expenses unpaid December 31, prior year		244,451		244,451
29. Amounts receivable relating to uninsured accident and health plans, prior year		155,869		155,869
30. Amounts receivable relating to uninsured accident and health plans, current year		341,224		341,224
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30) .		1,323,928		1,323,928
DETAILS OF WRITE-INS				
2501. Other Miscellaneous Expenses		55,679		55,679
2502. ASO Administrative Fee Revenue		(3,991,187)		(3,991,187)
2503				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 + 2598)(Line 25 above)		(3,935,508)		(3,935,508)

(a) Includes management fees of \$.....4,906,273 to affiliates and \$..... to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a)..... 48,294	43,263
1.1	Bonds exempt from U.S. tax	(a).....	
1.2	Other bonds (unaffiliated)	(a).....	
1.3	Bonds of affiliates	(a).....	
2.1	Preferred stocks (unaffiliated)	(b).....	
2.11	Preferred stocks of affiliates	(b).....	
2.2	Common stocks (unaffiliated)		
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c).....	
4.	Real estate	(d).....	
5.	Contract loans		
6.	Cash/short-term investments	(e)..... 40,827	40,827
7.	Derivative instruments	(f).....	
8.	Other invested assets		
9.	Aggregate write-ins for investment income		
10.	Total gross investment income	89,121	84,090
11.	Investment expenses		(g).....
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g).....
13.	Interest expense		(h).....
14.	Depreciation on real estate and other invested assets		(i).....
15.	Aggregate write-ins for deductions from investment income		
16.	Total deductions (Lines 11 through 15)		
17.	Net Investment income (Line 10 minus Line 16)		84,090
DETAILS OF WRITE-INS			
0901	.....	
0902	.....	
0903	.....	
0998.	Summary of remaining write-ins for Line 9 from overflow page		
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above)		
1501	.....	
1502	.....	
1503	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	TOTALS (Lines 1501 through 1503 plus 1598) (Line 15, above)		

- (a) Includes \$..... accrual of discount less \$.....22,432 amortization of premium and less \$.....8,559 paid for accrued interest on purchases.
- (b) Includes \$..... accrual of discount less \$..... amortization of premium and less \$..... paid for accrued dividends on purchases.
- (c) Includes \$..... accrual of discount less \$..... amortization of premium and less \$..... paid for accrued interest on purchases.
- (d) Includes \$..... for company's occupancy of its own buildings; and excluding \$..... interest on encumbrances.
- (e) Includes \$..... accrual of discount less \$..... amortization of premium and less \$..... paid for accrued interest on purchases.
- (f) Includes \$..... accrual of discount less \$..... amortization of premium.
- (g) Includes \$..... investment expenses and \$..... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$..... interest on surplus notes and \$..... interest on capital notes.
- (i) Includes \$..... depreciation on real estate and \$..... depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment	Net Gain (Loss) from Change in Difference Between Basis Book/Adjusted Carrying and Admitted Values	Total
1.	U.S. Government bonds					
1.1	Bonds exempt from U.S. tax					
1.2	Other bonds (unaffiliated)					
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)					
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)					
2.21	Common stocks of affiliates					
3.	Mortgage loans					
4.	Real estate					
5.	Contract loans					
6.	Cash/short-term investments					
7.	Derivative instruments					
8.	Other invested assets					
9.	Aggregate write-ins for capital gains (losses)					
10.	Total capital gains (losses)					
DETAILS OF WRITE-INS						
0901	.....				
0902	.....				
0903	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above)					

NONE

EXHIBIT 1 - ANALYSIS OF NONADMITTED ASSETS AND RELATED ITEMS

		1 End of Current Year	2 End of Prior Year	3 Changes for Year (Increase) or Decrease
1.	Summary of items Page 2, Lines 12 to 20, Column 2	317,753		(317,753)
2.	Other Nonadmitted Assets:			
2.1	Bills receivable			
2.2	Leasehold improvements			
2.3	Cash advanced to or in the hands of officers and agents			
2.4	Loans on personal security, endorsed or not			
2.5	Commuted commissions			
3.	Total (Lines 2.1 to 2.5)			
4.	Aggregate write-ins for other assets	10,402		(10,402)
5.	TOTAL (Line 1 plus Line 3 and Line 4)	328,155		(328,155)
DETAILS OF WRITE-INS				
0401.	Investment Income Receivable	1,134		(1,134)
0402.	Health Care Receivables	9,268		(9,268)
0403	.....		
0498.	Summary of remaining write-ins for Line 4 from overflow page			
0499.	TOTALS (Lines 0401 through 0403 plus 0498) (Line 4 above)	10,402		(10,402)

EXHIBIT 2 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment		Total Members at End of					6
		1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1.	Health Maintenance Organizations	26,632	26,546	27,382	29,514	28,910	334,760
2.	Provider Service Organizations						
3.	Preferred Provider Organizations						
4.	Point of Service						
5.	Indemnity Only						
6.	Aggregate write-ins for other lines of business						
7.	TOTAL	26,632	26,546	27,382	29,514	28,910	334,760
DETAILS OF WRITE-INS							
0601	.....					
0602	.....					
0603	.....					
0698.	Summary of remaining write-ins for Line 6 from overflow page						
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)						

EXHIBIT 3 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
	NONE					
0599999 Accident and health premiums due and unpaid (Page 2, Line 12) ..	.....	.....	.....	.....	.....	.....

EXHIBIT 4 - HEALTH CARE RECEIVABLES

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
Receivables not individually listed						
Accounts Receivable - Pharmacy Rebates (Caremark) 9,268	..... 9,268	.....
0499999 Total - Receivables not individually listed
0599999 Health care receivables 9,268	..... 9,268	.....

EXHIBIT 5 - CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)
Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Individually Listed Claims Unpaid						
Vanderbilt University Medical Center	59,800				64,818	124,618
0199999 Total - Individually Listed Claims Unpaid	59,800				64,818	124,618
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered						
0499999 Subtotals	59,800				64,818	124,618
0599999 Unreported claims and other claim reserves						
0699999 Total Amounts Withheld						
0799999 Total Claims Unpaid						124,618
0899999 Accrued Medical Incentive Pool and Bonus Amounts						

EXHIBIT 6 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1 Name of Affiliate	2	3	4	5	6	Admitted	
	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	7 Current	8 Non-Current
	NONE						
0399999 Total gross amounts receivable .....	.....	.....	.....	.....	.....	.....	.....

EXHIBIT 7 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

1	2	3	4	5
Affiliate	Description	Amount	Current	Non-Current
Individually listed payables				
Victory Management Services, Inc.	Management Fees	972	972	
0199999 Total - Individually listed payables	X X X	972	972	
0299999 Payables not individually listed	X X X			
0399999 Total gross payables	X X X	972	972	

EXHIBIT 8 - PART 1 - SUMMARY OF TRANSACTIONS WITH PROVIDERS

		1	2	3	4	5	6
Payment Method		Direct Medical Expense Payment	Column 1 as a % of Total	Total Members Covered	Column 3 as a % of Total	Column 1 Expenses Paid to Affiliated Providers	Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:							
1.	Medical groups	920,350	121.604				920,350
2.	Intermediaries						
3.	All other providers						
4.	Total capitation payments	920,350	121.604				920,350
Other Payments:							
5.	Fee-for-service	(32,702)	(4.321)	X X X	X X X		(163,511)
6.	Contractual fee payments	(130,809)	(17.284)	X X X	X X X		
7.	Bonus/withhold arrangements - fee-for-service			X X X	X X X		
8.	Bonus/withhold arrangements - contractual fee payments			X X X	X X X		
9.	Non-contingent salaries			X X X	X X X		
10.	Aggregate cost arrangements			X X X	X X X		
11.	All other payments			X X X	X X X		
12.	Total other payments	(163,511)	(21.604)	X X X	X X X		(163,511)
13.	Total (Line 4 plus Line 12)	756,839	100.000	X X X	X X X		756,839

EXHIBIT 8 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

1	2	3	4	5	6
NAIC Code	Name of Intermediary	Capitation Paid	Average Monthly Capitation	Intermediary's Total Adjusted Capital	Intermediary's Authorized Control Level RBC
		N O N E			
9999999			X X X	X X X	X X X

EXHIBIT 9 - FURNITURE, EQUIPMENT AND SUPPLIES OWNED

		1	2	3	4	5	6
Description		Cost	Improvements	Accumulated Depreciation	Book Value Less Encumbrances	Assets Not Admitted	Net Admitted Assets
1.	Administrative furniture and equipment						
2.	Medical furniture, equipment and fixtures	N O N E					
3.	Pharmaceuticals and surgical supplies						
4.	Durable medical equipment						
5.	Other property and equipment						
6.	Total						

Notes to Financial Statement

1. Summary of Significant Accounting Policies

- A. The financial statements of Victory Health Plan, Inc. ("VHP") are presented on the basis of accounting practices prescribed or permitted by the Tennessee Department of Commerce and Insurance ("Department").

The Department recognizes only statutory accounting practices prescribed or permitted by the State of Tennessee for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Tennessee Insurance Law. Effective January 1, 2001, the Department required that insurance companies domiciled in the State of Tennessee prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' ("NAIC") Accounting Practices and Procedures Manual ("NAIC SAP") as modified by the Department. Accordingly, the admitted assets, liabilities, capital and surplus of VHP as of December 31, 2003 and 2002, and the results of its operations and cash flows for the years then ended have been determined in accordance with the NAIC accounting principles.

There are no differences affecting VHP's net income or capital and surplus as a result of differences between the NAIC SAP and practices prescribed and permitted by the State of Tennessee.

Effective July 1, 2002, VHP signed Amendments 1 and 2 to the Contractor Risk Agreement with the State of Tennessee. Under the terms of these amendments, VHP effectively became an administrative services only ("ASO") provider throughout an initial 18-month "stabilization" period. The contract changes provide an administrative services only fee to cover the processing of claims and other administrative costs of VHP and all medical risk shifted to the State of Tennessee with incurred dates of service beginning July 1, 2002. In December 2003 VHP signed Amendment 4 to the Contractor Risk Agreement with the State of Tennessee, with a stated effective date of July 1, 2001. This amendment extended the stabilization period through December 31, 2004 (an additional 12 months), with an automatic renewal for calendar year 2005. VHP has followed SAP No. 47 to account for the ASO operations from July 1, 2002 through December 31, 2003.

- B. The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

- (1) Bonds are stated at amortized cost and bond premium is amortized using the straight-line method.
- (2) Medical Claims Payable represents the liability for services that have been performed by providers for the enrollees of the health maintenance organization through the period of June 30, 2002 (prior to the ASO arrangement). This liability includes medical and hospital expense claims reported to the Company and an actuarially determined estimate of claims that have been incurred but not reported. This estimate is based on the Company's available data history of claims paid. Medical expenses also include the payments made to providers under capitation arrangements.
- (3) During the first six months of 2002, VHP received all of its premium revenue from its contractual arrangements with the State of Tennessee's TennCare program. Premium payments were received monthly and were recognized as revenue during the period in which VHP was obligated to provide or arrange services for its enrollees.

2. Accounting Changes and Corrections of Errors

- A. There were no accounting changes or corrections of errors during 2003.

As a result of the amended contract between VHP and the State of Tennessee, VHP became an administrative services only provider as of July 1, 2002. To properly account for the ASO activities, VHP has attempted to follow SSAP No. 47, Uninsured Plans. In addition, accounting changes adopted to conform to the provisions of the NAIC SAP, as modified, were reported as a change in accounting principle for 2001. VHP made one restatement of a figure related to its 2001 annual statement. Medical claims payable were previously reported as \$4,424,523 on Line 1. of the Statement of Liabilities, Capital and Surplus. This amount included \$235,611 accrued for the payment of medical risk pools related to VHP's globally capitated contracts. As a result, the

Notes to Financial Statement

\$235,611 has been reclassified to Line 2. Accrued Medical Incentive Pool and Bonus Payments. Similarly, the related expense for this item has been reclassified on the Statement of Revenue and Expenses, from line 8, Hospital and Medical Benefits, to Line 14, Incentive Pool and Withhold Adjustments. Neither of these reclassifications have any affect on net income or statutory capital.

- B. Accounting changes adopted to conform to the provisions of the NAIC SAP, as modified, are reported as changes in accounting principles. The cumulative effect of the changes in accounting principles has been reported as an adjustment of unassigned surplus at January 1, 2001. The cumulative effect is the difference between the amount of capital and surplus at January 1, 2001 and the amount of capital and surplus that would have been reported at that data if the new accounting principles had been applied retroactively for all prior periods. The adoption of the new accounting principles in the NAIC SAP, as modified, has the effect of increasing capital and surplus at January 1, 2001 by \$73,310.

3. Business Combinations and Goodwill

Not applicable.

4. Discontinued Operations

Not applicable.

5. Investments

Not applicable.

6. Joint Ventures, Partnerships and Limited Liability Companies

Not applicable.

7. Investment Income

- A. Investment income due and accrued was excluded from surplus on the following bases:

Amounts that are over 90 days past due.

- B. The total amounts excluded for 2003 and 2002 were \$1,134 and \$2,816, respectively.

8. Derivative Instruments

Not applicable.

9. Income Taxes

Windsor Health Group, Inc. files a consolidated federal tax return which includes the operations of VHP and VMS.

VHP reported a deferred tax asset of \$86,690 for the year ended December 31, 2002. This asset represents the tax effect of a temporary difference resulting from the discounting of medical claims payable for tax purposes. The deferred tax asset as of January 1, 2001 was recorded directly to capital and surplus as a cumulative effect of a change in accounting principle to conform to the provisions of the NAIC SAP, as modified. The change in the deferred tax asset is reported as a separate component of gains and losses in capital and surplus.

10. Information Concerning Parent, Subsidiaries and Affiliates

Windsor Health Group, Inc. ("Windsor") owns 100% of the outstanding common stock of VHP. Windsor also owns 100% of the outstanding common stock of Victory Management Services, Inc. ("VMS") In addition, the Directors of VHP own 90% of the outstanding common stock of Windsor, with the additional 10% being owned by Vanderbilt Health Services, Inc.

VMS provides all management activities for VHP, in exchange for a base fee stipulated in a management contract between the parties. As of December 31, 2003 and 2002, VHP owed VMS \$972 and \$160,300 for management fees.

Under the ASO arrangement, each month there was a large discrepancy between the administrative fee revenue received by VHP and the related management fee expense resulting from the stipulated management contract calculation. As a result, VHP was experiencing significant monthly losses. In the second quarter of 2003, VMS management examined the operating needs of VMS and made a decision to

Notes to Financial Statement

forgive a portion of the monthly management fee. As a result, it was determined that for the period of July 1 - December 31, 2003 management fees would equal the monthly administrative fee revenue received by VHP plus the amounts owed by the State for the case and disease management reimbursement. Any difference between this calculation and the management fee calculation per the management contract (implied premium revenue x 11.5% less the subordinated note interest expense) would be forgiven by VMS. For 2003, a total of \$923,684 was forgiven.

As prescribed by NAIC guidelines, management fees have been allocated to the appropriate expense categories for the purposes of completing the Underwriting and Investment Exhibit, Part 3. In order to allocate the management fees to VHP, a ratio of each expense to total expenses incurred by the management company is calculated. The ratios are then applied to management fees so that an amount can be allocated to each expense category.

11. Debt

On March 30, 2001 Vanderbilt University issued a subordinated surplus note to VHP in the amount of \$4,231,300. Interest is calculated quarterly, according to the terms of the note agreement, at the prime rate of Bank America on the date of measurement. Interest is paid only after express permission from the Commissioner of Insurance in the State of Tennessee has been received. During 2002 interest in the amount of \$163,456 (for the periods of July 2001 to March 2002) was approved and paid to the note holder. Due to continued losses in VHP, no interest has been approved or paid since May 2002.

12. Retirement Plans, Deferred Compensation, Post employment Benefits and Compensated Absences and Other Postretirement Benefit Plans.

Not applicable - VHP does not have any employees.

13. Capital and Surplus, Shareholders’ Dividend Restrictions and Quasi-Reorganizations.

As of December 31, 2003 and 2002, there were 100,000 shares of \$1.00 par value common stock issued and outstanding. The maximum amount of dividends that can be paid to shareholders, with the prior approval of the Tennessee Commissioner of Insurance, is limited to the greater of 10% of net worth as of December 31 next preceding or the net income from operations (excluding realized capital gains) for the twelve-month period ending December 31 next preceding.

14. Contingencies

Not applicable.

15. Leases

Not applicable.

16. Information About Financial Instruments with Off-Balance-Sheet Risk, Financial Instruments with Concentration of Credit Risk

Not applicable.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

Not applicable.

**18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans
ASO Plan Activities**

The loss from operations from Administrative Services Only uninsured plans was as follows during 2003 and 2002:

	<u>2003</u>	<u>2002</u>
a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	(\$1,022,270)	(\$551,190)
b. Total net other income or expenses (including interest paid to or received from plans)	<u>0</u>	<u>0</u>
c. Net gain or (loss) from operations	<u>(\$1,022,270)</u>	<u>(\$551,190)</u>

Notes to Financial Statement

d. Total claim payment volume	\$47,528,616	\$22,256,755
(includes \$954,888 and \$241,255 in premium tax payments for 2003 and 2002, respectively)		

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators
Not applicable.

20. Other Items
In 2002, VHP recorded amounts receivable from the State of Tennessee related to additional administrative fee payments stipulated in the signed July 2002 contract amendments. Amounts accrued at December 31, 2002 included \$113,490 related to the Medical Fund Target Bonus for the period of July- December 2002, \$120,550 for the pharmacy bonus for the same period, and \$51,879.44 for the case & disease management reimbursement for the same period (total accrual of \$285,920). During 2003, VHP accrued an additional \$107,184 for the case and disease management reimbursement for the periods of January-December 2003.

In March 2003, VHP received payment for the \$51,879.44 related to the 2002 case & disease management. However, no other payments have been received by VHP since that time, despite the submission of several requests and many follow-up attempts. Furthermore, as of December 31, 2003 no written response has been received from the State of Tennessee as to the reason for the lack of payment. VHP management fully intends to continue its efforts to collect these amounts, in accordance with the terms of the contract. Of the total \$341,224 accrued at December 31, 2003, all but \$23,471 for the case & disease management related to October-December 2003 has been non-admitted at December 31, 2003, as the amounts are over 90 days past due.

21. Events Subsequent
The 2002 contract amendments stipulated that the ASO arrangement would continue for an initial period of 18 months (ending December 31, 2003). However, in December 2003 VHP signed Amendment 4, which extended the ASO period through December 31, 2004, with an automatic renewal for calendar year 2005. The State of Tennessee is in the process of examining and changing the structure of and benefits provided by the TennCare program and it is expected that the medical risk will be retained by the State until this process is complete.

22. Reinsurance
A. Ceded Reinsurance
VHP does not have any ceded reinsurance for 2003 or 2002. VHP does not carry reinsurance as a result of its globally capitated contracts (the providers assume 100% of the medical risk). Through the period of August 2003 VHP assisted one of its globally capitated providers in obtaining reinsurance coverage. However, the provider was responsible for payment of the premiums and in turn, received all recoveries. After August 2003, the provider determined that benefits of the reinsurance policy did not outweigh the costs and decided to end the arrangement.

23. Retrospectively Rated Contracts and Contracts Subject to Redetermination
Not applicable.

24. Change in Incurred Claims and Claim Adjustment Expenses
The liability for claims unpaid as of December 31, 2003 and 2002 was \$124,618 and \$656,510, respectively. The decrease of \$531,892 is attributable to the payment of the remaining medical claims for dates of service prior to July 1, 2002 (prior to ASO operations). The remaining \$124,618 is comprised entirely of a payable to one of VHP’s globally capitated providers for contract period ending June 30, 2002. Payment of this entire amount is expected during the first quarter of 2003.

The liability for claims unpaid decreased by approximately \$3,640,186 from December 31, 2001 to December 31, 2002 due to the change to ASO operations effective July 1, 2002. The remaining \$609,337 of claims unpaid as of December 31, 2002 was an estimate of the outstanding liability for medical services rendered through June 30, 2002 and amounts payable to the globally capitated providers.

25. Intercompany Pooling Arrangements
Not applicable.

26. Structured Settlements
Not applicable.

Notes to Financial Statement

27. Health Care Receivables

As of December 31, 2003 ad 2002, VHP had pharmacy rebates receivable (from Caremark) in the amount of \$9,268 and \$175,349, respectively. During 2003, VHP received rebates totaling \$175,349 for 2002 and \$111,000 for 2003. VHP anticipates settlement of the final amount for 2003 during the first six months of 2004.

28. Participating Policies

Not applicable.

29. Premium Deficiency Reserve

Not applicable.

30. Anticipated Salvage and Subrogation

Not applicable.

SUMMARY INVESTMENT SCHEDULE

Investment Categories		Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
		1 Amount	2 Percentage	3 Amount	4 Percentage
1.	Bonds:				
1.1	U.S. treasury securities				
1.2	U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21	Issued by U.S. government agencies				
1.22	Issued by U.S. government sponsored agencies				
1.3	Foreign government (including Canada, excluding mortgage-backed securities)				
1.4	Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41	States, territories and possessions general obligations				
1.42	Political subdivisions of states, territories and possessions and political subdivisions general obligations				
1.43	Revenue and assessment obligations				
1.44	Industrial development and similar obligations				
1.5	Mortgage-backed securities (includes residential and commercial MBS):				
1.51	Pass-through securities:				
1.511	Guaranteed by GNMA				
1.512	Issued by FNMA and FHLMC	1,327,515	28.992	1,327,515	28.992
1.513	Privately issued				
1.52	CMOs and REMICs:				
1.521	Issued by FNMA and FHLMC				
1.522	Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA, or FHLMC				
1.523	All other privately issued				
2.	Other debt and other fixed income securities (excluding short term):				
2.1	Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)				
2.2	Unaffiliated foreign securities				
2.3	Affiliated securities				
3.	Equity interests:				
3.1	Investments in mutual funds				
3.2	Preferred stocks:				
3.21	Affiliated				
3.22	Unaffiliated				
3.3	Publicly traded equity securities (excluding preferred stocks):				
3.31	Affiliated				
3.32	Unaffiliated				
3.4	Other equity securities:				
3.41	Affiliated				
3.42	Unaffiliated				
3.5	Other equity interests including tangible personal property under lease:				
3.51	Affiliated				
3.52	Unaffiliated				
4.	Mortgage loans:				
4.1	Construction and land development				
4.2	Agricultural				
4.3	Single family residential properties				
4.4	Multifamily residential properties				
4.5	Commercial loans				
4.6	Mezzanine real estate loans				
5.	Real estate investments:				
5.1	Property occupied by company				
5.2	Property held for production of income (includes \$..... of property acquired in satisfaction of debt)				
5.3	Property held for sale (\$..... including property acquired in satisfaction of debt)				
6.	Policy loans				
7.	Receivables for securities				
8.	Cash and short-term investments	3,251,451	71.008	3,251,451	71.008
9.	Other invested assets				
10.	Total invested assets	4,578,966	100.000	4,578,966	100.000

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes[X] No[]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes[X] No[] N/A[]
Tennessee
- 1.3 State Regulating?
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 2.2 If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended.
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2001
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

06/30/1997
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

02/23/1998
- 3.4 By what department or departments?
Tennessee Department of Commerce & Insurance
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business?

Yes[] No[X]
- 4.12 renewals?

Yes[] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business?

Yes[] No[X]
- 4.22 renewals?

Yes[] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[] No[X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action either formal or informal, if a confidentiality clause is part of the agreement)

Yes[] No[X]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes[] No[X]
- 7.2 If yes,
- 7.21 State the percentage of foreign control

%
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact)

1	2
Nationality	Type of Entity

GENERAL INTERROGATORIES (continued)

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide the names and location (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e., the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC) and identify the affiliate's primary federal regulator.

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC
..... Yes[] No[X] ..	.. Yes[] No[X] ..	.. Yes[] No[X] ..	.. Yes[] No[X] ..	.. Yes[] No[X] ..

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Deloitte & Touche LLP, 424 Church Street, Suite 2400 Nashville, Tennessee 37219
10. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with a(n) actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

Edgar Schneider or James Drennan actuaries, Reden & Anders Ltd, 2170 Satellite Blvd, Suite 150, Duluth, GA 30097
11. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

11.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

11.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

11.3 Have there been any changes made to any of the trust indentures during the year?

11.4 If answer to (11.3) is yes, has the domiciliary or entry state approved the changes?

Yes[] No[X]
Yes[] No[X]
Yes[] No[] N/A[X]

BOARD OF DIRECTORS

12. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof?

Yes[X] No[]
13. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?

Yes[X] No[]
14. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees which is in or is likely to conflict with the official duties of such person?

Yes[X] No[]

FINANCIAL

- 15.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

15.11 To directors or other officers

15.12 To stockholders not officers

15.13 Trustees, supreme or grand (Fraternal only)

15.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):

15.21 To directors or other officers

15.22 To stockholders not officers

15.23 Trustees, supreme or grand (Fraternal only)

\$
\$
\$
\$
\$
\$
\$
- 16.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?

Yes[] No[X]
- 16.2 If yes, state the amount thereof at December 31 of the current year:

16.21 Rented from others

16.22 Borrowed from others

16.23 Leased from others

16.24 Other

Disclose in Notes to Financial the nature of each obligation.

\$
\$
\$
\$
- 17.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?

Yes[] No[X]
- 17.2 If answer is yes:

17.21 Amount paid as losses or risk adjustment

17.22 Amount paid as expenses

17.23 Other amounts paid

\$
\$
\$

GENERAL INTERROGATORIES (continued)

INVESTMENT

18. List the following capital stock information for the reporting entity:

Class		1 Number of Shares Authorized	2 Number of Shares Outstanding	3 Par Value Per Share	4 Redemption Price If Callable	5 Is Dividend Rate Limited?	6 Are Dividends Cumulative?
1.	Preferred .....	.....	.....	.....	.....	Yes[] No[] N/A[X]	Yes[] No[] N/A[X]
2.	Common .....	..... 100,000.000	.....	..... 100,000.000	..... X X X .....	..... X X X .....	..... X X X

19.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E - Part 3 - Special Deposits? Yes[] No[X]

19.2 If no, give full and complete information, relating thereto:
Bank of America Securities, Atlanta, GA

20.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, except as shown on Schedule E - Part 3 - Special Deposits, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 16.1). Yes[] No[X]

20.2 If yes, state the amount thereof at December 31 of the current year:

20.21	Loaned to others	\$
20.22	Subject to repurchase agreements	\$
20.23	Subject to reverse repurchase agreements	\$
20.24	Subject to dollar repurchase agreements	\$
20.25	Subject to reverse dollar repurchase agreements	\$
20.26	Pledged as collateral	\$
20.27	Placed under option agreements	\$
20.28	Letter stock or securities restricted as to sale	\$
20.29	Other	\$

20.3 For each category above, if any of these assets are held by other, identify by whom held:

20.31
20.32
20.33
20.34
20.35
20.36
20.37
20.38
20.39

For categories (20.21) and (20.23) above, and for any securities that were made available for use by another person during the period covered by this statement, attach a schedule as shown in the instructions to the annual statement.

20.4 For category (20.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....

21.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes[] No[X]

21.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement. Yes[] No[] N/A[X]

22.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes[] No[X]

22.2 If yes, state the amount thereof at December 31 of the current year. \$

GENERAL INTERROGATORIES (continued)

INVESTMENT

23. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV.H - Custodial or Safekeeping agreements of the NAIC Financial Condition Examiners Handbook?
- 23.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:
- Yes[] No[X]

1	2
Name of Custodian(s)	Custodian's Address
.....

- 23.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)
.....

- 23.03 Have there been any changes, including name changes, in the custodian(s) identified in 23.01 during the current year?
- 23.04 If yes, give full and complete information relating thereto:
- Yes[] No[X]

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason
.....

- 23.05 Identify all investment advisers, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository Number(s)	Name	Address
.....

- 24.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b)(1)])?
- 24.2 If yes, complete the following schedule:
- Yes[] No[X]

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
24.2999 Total

- 24.3 For each mutual fund listed in the table above, complete the following schedule:

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation
.....

GENERAL INTERROGATORIES (Continued)

OTHER

25.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?

25.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

\$

1 Name	2 Amount Paid
.....

26.1 Amount of payments for legal expenses, if any?

26.2 List the name of the firm and the amount paid if any such payments represented 25% or more of the total payments for legal expenses during the period covered by this statement.

\$

1 Name	2 Amount Paid
.....

27.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any?

27.2 List the name of firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies officers or department of government during the period covered by this statement.

\$

1 Name	2 Amount Paid
.....

GENERAL INTERROGATORIES (continued)

PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes[] No[X]
- 1.2 If yes, indicate premium earned on U.S. business only:

\$
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$
- 1.31 Reason for excluding:
- 1.4 Indicate amount of premium earned attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance.

\$
- 1.6 Individual policies - Most current three years:
- 1.61 Total premium earned

\$
- 1.62 Total incurred claims

\$
- 1.63 Number of covered lives

\$
- All years prior to most current three years:
- 1.64 Total premium earned

\$
- 1.65 Total incurred claims

\$
- 1.66 Number of covered lives

\$
- 1.7 Group policies - Most current three years:
- 1.71 Total premium earned

\$
- 1.72 Total incurred claims

\$
- 1.73 Number of covered lives

\$
- All years prior to most current three years:
- 1.74 Total premium earned

\$
- 1.75 Total incurred claims

\$
- 1.76 Number of covered lives

\$

2. Health Test

		1	2
		Current Year	Prior Year
2.1	Premium Numerator	23,373	32,340,696
2.2	Premium Denominator	23,373	32,340,696
2.3	Premium Ratio (2.1 / 2.2)	1.000	1.000
2.4	Reserve Numerator		
2.5	Reserve Denominator	124,618	124,618
2.6	Reserve Ratio (2.4 / 2.5)		

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

Yes[] No[X]
- 3.2 If yes, give particulars:
- 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and departments been filed with the appropriate regulatory agency?

Yes[X] No[]
- 4.2 If not previously filed furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

Yes[] No[X]
- 5.1 Does the reporting entity have stop-loss reinsurance?

Yes[] No[X]
- 5.2 If no, explain:

All of the medical services for VHP's members, with the exceptions of the Dual eligible members, are covered under global capitation arrangements with two provider groups. These provider groups assume 100% of the medical risk for the VHP members assigned to them. In the past, VHP assisted in securing reinsurance for these groups if they wished to have it, but all costs and recoveries were paid by/to the global cap providers. As a result, VHP has no direct reinsurance.
- 5.3 Maximum retained risk (see instructions):
- 5.31 Comprehensive Medical

\$
- 5.32 Medical Only

\$
- 5.33 Medicare Supplement

\$
- 5.34 Dental

\$
- 5.35 Other Limited Benefit Plan

\$
- 5.36 Other

\$
6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

VHP's provider contract contain hold harmless language.
- 7.1 Does the reporting entity set up its claim liability for provider services on a service data base?

Yes[X] No[]
- 7.2 If no, give details:
8. Provide the following information regarding participating providers:
- 8.1 Number of providers at start of reporting year

1189
- 8.2 Number of providers at end of reporting year

1206
- 9.1 Does the reporting entity have business subject to premium rate guarantees?

Yes[] No[X]
- 9.2 If yes, direct premium earned:
- 9.21 Business with rate guarantees between 15-36 months

0
- 9.22 Business with rate guarantees over 36 months

0

GENERAL INTERROGATORIES (continued)
PART 2 - HEALTH INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?

Yes☒ No☐
- 10.2 If yes:

10.21 Maximum amount payable bonuses

10.22 Amount actually paid for year bonuses

10.23 Maximum amount payable withholds

10.24 Amount actually paid for year withholds

\$

\$

\$

\$
- 11.1 Is the reporting entity organized as:

11.12 A medical Group/Staff Model,

11.13 An Individual Practice Association (IPA), or,

11.14 A Mixed Model (combination of above)?

Yes☐ No☒
Yes☒ No☐
Yes☐ No☒
Yes☒ No☐
- 11.2 Is the reporting entity subject to Minimum Net Worth Requirements?

Yes☐ No☒
- 11.3 If yes, show the name of the state requiring such net worth.

Tennessee
- 11.4 If yes, show the amount required.

\$ 2,329,955
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity?

Yes☐ No☒
- 11.6 If the amount is calculated, show the calculation.

Prior yr (2002) premium revenue & administrative fee payments \$58,248,875 x 4% = \$2,329,955
12. List service areas in which the reporting entity is licensed to operate:

1
Name of Service Area
Davidson County, TN

FIVE-YEAR HISTORICAL DATA

	1 2003	2 2002	3 2001	4 2000	5 1999
BALANCE SHEET ITEMS (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 26)	4,609,897	6,601,281	11,331,914	12,192,569	11,731,520
2. Total liabilities (Page 3, Line 22)	332,948	1,128,649	4,936,328	6,302,904	4,364,524
3. Statutory surplus	1,946,994	3,656,113	4,895,586	4,389,665	5,866,996
4. Total capital and surplus (Page 3, Line 30)	4,276,949	5,472,632	6,395,586	5,889,665	7,366,996
INCOME STATEMENT ITEMS (Page 4)					
5. Total revenues (Line 8)	23,373	32,340,696	45,412,968	23,121,689	22,047,819
6. Total medical and hospital expenses (Line 18)	(2,742)	28,215,978	39,014,848	18,952,803	17,850,483
7. Total administrative expenses (Line 21)	977,733	5,142,092	6,224,843	2,749,383	3,344,568
8. Net underwriting gain (loss) (Line 24)	(951,618)	(1,017,374)	173,277	1,455,592	852,768
9. Net investment gain (loss) (Line 27)	84,090	17,601	260,739	399,298	436,390
10. Total other income (Lines 28 plus 29)				(14,378,142)	(12,801,208)
11. Net income or (loss) (Line 32)	(867,528)	(922,954)	270,507	(12,523,252)	(11,512,050)
RISK-BASED CAPITAL ANALYSIS					
12. Total adjusted capital	4,276,949	5,472,632	6,395,586	6,089,307	7,366,996
13. Authorized control level risk-based capital	750,853	865,511	1,048,450	830,926	1,813,720
ENROLLMENT (Exhibit 2)					
14. Total members at end of period (Column 5, Line 7)	28,910	26,632	35,711	13,507	12,353
15. Total members months (Column 6, Line 7)	334,760	389,254	296,119	153,520	146,118
OPERATING PERCENTAGE (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3 and 5)					
16. Premiums earned (Lines 2 plus 3)	100.0	100.0	100.0	100.0	100.0
17. Total hospital and medical (Line 18)	(11.7)	87.2	85.9	82.0	81.0
18. Total underwriting deductions (Line 23)	4,171.4	103.1	99.6	93.7	96.1
19. Total underwriting gain (loss) (Line 24)	(4,071.4)	(3.1)	0.4	6.3	3.9
UNPAID CLAIMS ANALYSIS					
(U&I Exhibit, Part 2B)					
20. Total claims incurred for prior years (Line 12, Col. 5)	881,457	3,952,908	1,222,539	3,696,669	2,383,464
21. Estimated liability of unpaid claims-[prior year (Line 12, Col. 6)] ..	884,199	4,249,523	1,222,539	4,222,521	3,138,704
INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES					
22. Affiliated bonds (Sch. D Summary, Line 25, Col. 1)					
23. Affiliated preferred stocks (Sch. D Summary, Line 39, Col. 1)					
24. Affiliated common stocks (Sch. D Summary, Line 53, Col. 2)					
25. Affiliated short-term investments (subtotal included in Sch. DA, Part 2, Col. 5, Line 11)					
26. Affiliated mortgage loans on real estate					
27. All other affiliated					
28. Total of above Lines 22 to 27					



EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION: Victory Health Plan, Inc. 2. DIVISION: Nashville, Tennessee

NAIC Group Code 1268

BUSINESS IN THE STATE OF **GRAND TOTAL** DURING THE YEAR

NAIC Company Code 95792

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13
		2	3										
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year	26,632								26,632				
2. First Quarter	26,546								26,546				
3. Second Quarter	27,382								27,382				
4. Third Quarter	29,514								29,514				
5. Current Year	28,910								28,910				
6. Current Year Member Months	334,760								334,760				
Total Member Ambulatory Encounters for Year:													
7. Physician	1,720								1,720				
8. Non-Physician	708								708				
9. Total	2,428								2,428				
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected	23,373								23,373				
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned	23,373								23,373				
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services	756,839								756,839				
18. Amount of Incurred for Provision of Health Care Services	(2,742)								(2,742)				

35 Grand Total

(a) For health business: number of persons insured under PPO managed care products and number of persons insured under indemnity only products



EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION: Victory Health Plan, Inc. 2. DIVISION: Nashville, Tennessee

NAIC Group Code 1268

BUSINESS IN THE STATE OF **TENNESSEE** DURING THE YEAR

NAIC Company Code 95792

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13
		2	3										
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year	26,632								26,632				
2. First Quarter	26,546								26,546				
3. Second Quarter	27,382								27,382				
4. Third Quarter	29,514								29,514				
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6. Current Year Member Months	334,760								334,760				
Total Member Ambulatory Encounters for Year:													
7. Physician	1,720								1,720				
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9. Total	2,428								2,428				
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected	23,373								23,373				
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned	23,373								23,373				
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services	756,839								756,839				
18. Amount of Incurred for Provision of Health Care Services	(2,742)								(2,742)				

(a) For health business: number of persons insured under PPO managed care products and number of persons insured under indemnity only products

SCHEDULE A - VERIFICATION BETWEEN YEARS

1.	Book/adjusted carrying value, December 31, prior year (prior year statement)	
2.	Increase (decrease) by adjustment:	
2.1	Totals, Part 1, Column 10	
2.2	Totals, Part 3, Column 7	
3.	Cost of acquired, (Totals, Part 2, Column 6, net of encumbrances (Column 7) and net of additions and permanent improvements (Column 9))	
4.	Cost of additions and permanent improvements:	
4.1	Totals, Part 1, Column 13	
4.2	Totals, Part 3, Column 9	
5.	Total profit (loss) on sales, Part 3, Column 14	
6.	Increase (decrease) by foreign exchange adjustment	
6.1	Totals, Part 1, Column 11	
6.2	Totals, Part 3, Column 8	
7.	Amounts received on sales, Part 3, Column 11 and Part 1, Column 12	
8.	Book/adjusted carrying value at the end of current period	
9.	Total valuation allowance	
10.	Subtotal (Lines 8 plus 9)	
11.	Total nonadmitted amounts	
12.	Statement value, current period (Page 2, real estate lines, current period)	

SCHEDULE B - VERIFICATION BETWEEN YEARS

1.	Book value/recorded investment excluding accrued interest of mortgages owned, December 31 of prior year	
2.	Amount loaned during year:	
2.1	Actual cost at time of acquisitions	
2.2	Additional investment made after acquisitions	
3.	Accrual of discount and mortgage interest points and commitment fees	
4.	Increase (decrease) by adjustment	
5.	Total profit (loss) on sale	
6.	Amounts paid on account or in full during the year	
7.	Amortization of premium	
8.	Increase (decrease) by foreign exchange adjustment	
9.	Book value/recorded investment excluding accrued interest on mortgages owned at end of current period	
10.	Total valuation allowance	
11.	Subtotal (Lines 9 plus 10)	
12.	Total nonadmitted amounts	
13.	Statement value of mortgages owned at end of current period	

SCHEDULE BA - VERIFICATION BETWEEN YEARS

1.	Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year	
2.	Cost of acquisitions during year:	
2.1	Actual cost at time of acquisitions	
2.2	Additional investment made after acquisitions	
3.	Accrual of discount	
4.	Increase (decrease) by adjustment	
5.	Total profit (loss) on sale	
6.	Amounts paid on account or in full during the year	
7.	Amortization of premium	
8.	Increase (decrease) by foreign exchange adjustment	
9.	Book/adjusted carrying value of long-term invested assets at end of current period	
10.	Total valuation allowance	
11.	Subtotal (Lines 9 plus 10)	
12.	Total nonadmitted amounts	
13.	Statement value of long-term invested assets at end of current period	

SCHEDULE D - SUMMARY BY COUNTRY
Long-term Bonds and Stocks OWNED December 31 of Current Year

Description			1 Book/Adjusted Carrying Value	2 Fair Value (a)	3 Actual Cost	4 Par Value of Bonds
BONDS Governments (Including all obligations guaranteed by governments)	1.	United States	1,327,515	1,334,770	1,360,591	1,310,000
	2.	Canada				
	3.	Other Countries				
	4.	Totals	1,327,515	1,334,770	1,360,591	1,310,000
States, Territories and Possessions (Direct and Guaranteed)	5.	United States				
	6.	Canada				
	7.	Other Countries				
	8.	Totals				
Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)	9.	United States				
	10.	Canada				
	11.	Other Countries				
	12.	Totals				
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13.	United States				
	14.	Canada				
	15.	Other Countries				
	16.	Totals				
Public Utilities (unaffiliated)	17.	United States				
	18.	Canada				
	19.	Other Countries				
	20.	Totals				
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21.	United States				
	22.	Canada				
	23.	Other Countries				
	24.	Totals				
Parent, Subsidiaries and Affiliates	25.	Totals				
	26.	Total Bonds	1,327,515	1,334,770	1,360,591	1,310,000
PREFERRED STOCKS Public Utilities (unaffiliated)	27.	United States				
	28.	Canada				
	29.	Other Countries				
	30.	Totals				
Banks, Trust and Insurance Companies (unaffiliated)	31.	United States				
	32.	Canada				
	33.	Other Countries				
	34.	Totals				
Industrial and Miscellaneous (unaffiliated)	35.	United States				
	36.	Canada				
	37.	Other Countries				
	38.	Totals				
Parent, Subsidiaries and Affiliates	39.	Totals				
	40.	Total Preferred Stocks				
COMMON STOCKS Public Utilities (unaffiliated)	41.	United States				
	42.	Canada				
	43.	Other Countries				
	44.	Totals				
Banks, Trust and Insurance Companies (unaffiliated)	45.	United States				
	46.	Canada				
	47.	Other Countries				
	48.	Totals				
Industrial and Miscellaneous (unaffiliated)	49.	United States				
	50.	Canada				
	51.	Other Countries				
	52.	Totals				
Parent, Subsidiaries and Affiliates	53.	Totals				
	54.	Total Common Stocks				
	55.	Total Stocks				
	56.	Total Bonds and Stocks	1,327,515	1,334,770	1,360,591	

(a) The aggregate value of bonds which are valued at other than actual fair value is \$.....

SCHEDULE D - Verification Between Years

1. Book/adjusted carrying value of bonds and stocks, prior year.	1,234,409	6. Foreign Exchange Adjustment	
2. Cost of bonds and stocks acquired, Column 6, Part 3.	555,538	6.1 Column 17, Part 1.....	
3. Increase (decrease) by adjustment:		6.2 Column 13, Part 2, Section 1.....	
3.1 Column 16, Part 1.....	(22,432)	6.3 Column 11, Part 2, Section 2.....	
3.2 Column 12, Part 2, Section 1.....		6.4 Column 11, Part 4.....	
3.3 Column 10, Part 2, Section 2.....			
3.4 Column 10, Part 4.....	(22,432)	7. Book/adjusted carrying value at end of current period.....	1,327,515
4. Total gain (loss), Column 14, Part 4.....		8. Total valuation allowance.....	
5. Deduct consideration for bonds and stocks disposed of		9. Subtotal (Lines 7 plus 8).....	1,327,515
Column 6, Part 4.....	440,000	10. Total nonadmitted assets.....	
		11. Statement value of bonds and stocks, current period.....	1,327,515

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating Per the NAIC Designation		1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
1.	U.S. Government, Schedules D & DA (Group 1)											
1.1	Class 1		1,327,515				1,327,515	100.00	1,234,409	100.00	1,327,515	
1.2	Class 2											
1.3	Class 3											
1.4	Class 4											
1.5	Class 5											
1.6	Class 6											
1.7	TOTALS		1,327,515				1,327,515	100.00	1,234,409	100.00	1,327,515	
2.	All Other Governments, Schedules D & DA (Group 2)											
2.1	Class 1											
2.2	Class 2											
2.3	Class 3											
2.4	Class 4											
2.5	Class 5											
2.6	Class 6											
2.7	TOTALS											
3.	States, Territories and Possessions etc., Guaranteed, Schedules D & DA (Group 3)											
3.1	Class 1											
3.2	Class 2											
3.3	Class 3											
3.4	Class 4											
3.5	Class 5											
3.6	Class 6											
3.7	TOTALS											
4.	Political Subdivisions of States, Territories & Possessions, Guaranteed, Schedules D & DA (Group 4)											
4.1	Class 1											
4.2	Class 2											
4.3	Class 3											
4.4	Class 4											
4.5	Class 5											
4.6	Class 6											
4.7	TOTALS											
5.	Special Revenue & Special Assessment Obligations etc., Non-Guaranteed, Schedules D & DA (Group 5)											
5.1	Class 1											
5.2	Class 2											
5.3	Class 3											
5.4	Class 4											
5.5	Class 5											
5.6	Class 6											
5.7	TOTALS											

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating Per the NAIC Designation		1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6.	Public Utilities (Unaffiliated), Schedules D & DA (Group 6)											
6.1	Class 1											
6.2	Class 2											
6.3	Class 3											
6.4	Class 4											
6.5	Class 5											
6.6	Class 6											
6.7	TOTALS											
7.	Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)											
7.1	Class 1											
7.2	Class 2											
7.3	Class 3											
7.4	Class 4											
7.5	Class 5											
7.6	Class 6											
7.7	TOTALS											
8.	Credit Tenant Loans, Schedules D & DA (Group 8)											
8.1	Class 1											
8.2	Class 2											
8.3	Class 3											
8.4	Class 4											
8.5	Class 5											
8.6	Class 6											
8.7	TOTALS											
9.	Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9)											
9.1	Class 1											
9.2	Class 2											
9.3	Class 3											
9.4	Class 4											
9.5	Class 5											
9.6	Class 6											
9.7	TOTALS											

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

Quality Rating Per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
10. Total Bonds Current Year											
10.1 Class 1		1,327,515				1,327,515	100.00	X X X	X X X	1,327,515	
10.2 Class 2								X X X	X X X		
10.3 Class 3								X X X	X X X		
10.4 Class 4								X X X	X X X		
10.5 Class 5						(c)		X X X	X X X		
10.6 Class 6						(c)		X X X	X X X		
10.7 TOTALS		1,327,515				(b) 1,327,515	100.00	X X X	X X X	1,327,515	
10.8 Line 10.7 as a % of Column 6		100.00				100.00	X X X	X X X	X X X	100.00	
11. Total Bonds Prior Year											
11.1 Class 1		1,234,409				X X X	X X X	1,234,409	100.00	1,234,409	
11.2 Class 2						X X X	X X X				
11.3 Class 3						X X X	X X X				
11.4 Class 4						X X X	X X X				
11.5 Class 5						X X X	X X X	(c)			
11.6 Class 6						X X X	X X X	(c)			
11.7 TOTALS		1,234,409				X X X	X X X	(b) 1,234,409	100.00	1,234,409	
11.8 Line 11.7 as a % of Col. 8		100.00				X X X	X X X	100.00	X X X	100.00	
12. Total Publicly Traded Bonds											
12.1 Class 1		1,327,515				1,327,515	100.00	1,234,409	100.00	1,327,515	X X X
12.2 Class 2											X X X
12.3 Class 3											X X X
12.4 Class 4											X X X
12.5 Class 5											X X X
12.6 Class 6											X X X
12.7 TOTALS		1,327,515				1,327,515	100.00	1,234,409	100.00	1,327,515	X X X
12.8 Line 12.7 as a % of Col. 6		100.00				100.00	X X X	X X X	X X X	100.00	X X X
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10		100.00				100.00	X X X	X X X	X X X	100.00	X X X
13. Total Privately Placed Bonds											
13.1 Class 1										X X X	
13.2 Class 2										X X X	
13.3 Class 3										X X X	
13.4 Class 4										X X X	
13.5 Class 5										X X X	
13.6 Class 6										X X X	
13.7 TOTALS										X X X	
13.8 Line 13.7 as a % of Col. 6							X X X	X X X	X X X	X X X	
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10							X X X	X X X	X X X	X X X	

(a) Includes \$..... freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.
(b) Includes \$..... current year, \$..... prior year of bonds with Z designations and \$..... current year, \$..... prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.
(c) Includes \$..... current year, \$..... prior year of bonds with 5* designations and \$..... current year, \$..... prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values by Major Types of and subtype of Issues

Distribution by Type		1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
1.	U.S. Governments, Schedules D & DA (Group 1)											
1.1	Issuer Obligations		1,327,515				1,327,515	100.00	1,234,409	100.00	1,327,515	
1.2	Single Class Mortgage-Backed/Asset-Backed Bonds											
1.7	TOTALS		1,327,515				1,327,515	100.00	1,234,409	100.00	1,327,515	
2.	All Other Governments, Schedules D & DA (Group 2)											
2.1	Issuer Obligations											
2.2	Single Class Mortgage-Backed/Asset-Backed Bonds											
	MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
2.3	Defined											
2.4	Other											
	MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
2.5	Defined											
2.6	Other											
2.7	TOTALS											
3.	States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 3)											
3.1	Issuer Obligations											
3.2	Single Class Mortgage-Backed/Asset-Backed Bonds											
	MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
3.3	Defined											
3.4	Other											
	MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
3.5	Defined											
3.6	Other											
3.7	TOTALS											
4.	Political Subdivisions of States, Territories & Possessions, Guaranteed, Schedules D & DA (Group 4)											
4.1	Issuer Obligations											
4.2	Single Class Mortgage-Backed/Asset-Backed Bonds											
	MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
4.3	Defined											
4.4	Other											
	MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
4.5	Defined											
4.6	Other											
4.7	TOTALS											
5.	Special Revenue & Special Assessment Obligations etc., Non-Guaranteed, SCH. D & DA (Group 5)											
5.1	Issuer Obligations											
5.2	Single Class Mortgage-Backed/Asset-Backed Bonds											
	MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
5.3	Defined											
5.4	Other											
	MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
5.5	Defined											
5.6	Other											
5.7	TOTALS											

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values by Major Types of and subtype of Issues

	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
Distribution by Type											
6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6)											
6.1 Issuer Obligations											
6.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
6.3 Defined											
6.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
6.5 Defined											
6.6 Other											
6.7 TOTALS											
7. Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)											
7.1 Issuer Obligations											
7.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
7.3 Defined											
7.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
7.5 Defined											
7.6 Other											
7.7 TOTALS											
8. Credit Tenant Loans, Schedules D & DA (Group 8)											
8.1 Issuer Obligations											
8.7 TOTALS											
9. Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9)											
9.1 Issuer Obligations											
9.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
9.3 Defined											
9.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
9.5 Defined											
9.6 Other											
9.7 TOTALS											

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values by Major Types of and subtype of Issues

	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
Distribution by Type											
10. Total Bonds Current Year											
10.1 Issuer Obligations		1,327,515				1,327,515	100.00	X X X	X X X	1,327,515	
10.2 Single Class Mortgage-Backed/Asset-Backed Securities								X X X	X X X		
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
10.3 Defined								X X X	X X X		
10.4 Other								X X X	X X X		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
10.5 Defined								X X X	X X X		
10.6 Other								X X X	X X X		
10.7 TOTALS		1,327,515				1,327,515	100.00	X X X	X X X	1,327,515	
10.8 Line 10.7 as a % of Column 6		100.00				100.00	X X X	X X X	X X X	100.00	
11. Total Bonds Prior Year											
11.1 Issuer Obligations		1,234,409				X X X	X X X	1,234,409	100.00	1,234,409	
11.2 Single Class Mortgage-Backed/Asset-Backed Securities						X X X	X X X				
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
11.3 Defined						X X X	X X X				
11.4 Other						X X X	X X X				
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
11.5 Defined						X X X	X X X				
11.6 Other						X X X	X X X				
11.7 TOTALS		1,234,409				X X X	X X X	1,234,409	100.00	1,234,409	
11.8 Line 11.7 as a % of Column 8		100.00				X X X	X X X	100.00	X X X	100.00	
12. Total Publicly Traded Bonds											
12.1 Issuer Obligations		1,327,515				1,327,515	100.00	1,234,409	100.00	1,327,515	X X X
12.2 Single Class Mortgage-Backed/Asset-Backed Securities											X X X
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
12.3 Defined											X X X
12.4 Other											X X X
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
12.5 Defined											X X X
12.6 Other											X X X
12.7 TOTALS		1,327,515				1,327,515	100.00	1,234,409	100.00	1,327,515	X X X
12.8 Line 12.7 as a % of Column 6		100.00				100.00	X X X	X X X	X X X	100.00	X X X
12.9 Line 12.7 as a % of Line 10.7, Column 6, Section 10		100.00				100.00	X X X	X X X	X X X	100.00	X X X
13. Total Privately Placed Bonds											
13.1 Issuer Obligations										X X X	
13.2 Single Class Mortgage-Backed/Asset-Backed Securities										X X X	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
13.3 Defined										X X X	
13.4 Other										X X X	
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
13.5 Defined										X X X	
13.6 Other										X X X	
13.7 TOTALS										X X X	
13.8 Line 13.7 as a % of Column 6							X X X	X X X	X X X	X X X	
13.9 Line 13.7 as a % of Line 10.7, Column 6, Section 10							X X X	X X X	X X X	X X X	

44	Schedule DA Part 2 -	NONE
45	Schedule DB Part A Verification -	NONE
45	Schedule DB Part B Verification -	NONE
46	Schedule DB Part C Verification -	NONE
46	Schedule DB Part D Verification -	NONE
46	Schedule DB Part E Verification -	NONE
47	Schedule DB Part F Sn 1 - Sum Replicated Assets -	NONE
48	Schedule DB Part F Sn 2 - Recon Replicated Assets -	NONE
49	Schedule S - Part 1 - Section 2 -	NONE
50	Schedule S - Part 2 -	NONE
51	Schedule S - Part 3 - Section 2 -	NONE
52	Schedule S - Part 4 -	NONE

SCHEDULE S - PART 5
Five-Year Exhibit of Reinsurance Ceded Business
(000 Omitted)

	1 2003	2 2002	3 2001	4 2000	5 1999
A. OPERATIONS ITEMS					
1. Premiums					
2. Title XVIII-Medicare					
3. Title XIX - Medicaid				49	
4. Commissions and reinsurance expense allowance					
5. Total hospital and medical expenses				(36)	
B. BALANCE SHEET ITEMS					
6. Premiums receivable					
7. Claims payable					
8. Reinsurance recoverable on paid losses					
9. Experience rating refunds due or unpaid					
10. Commissions and reinsurance expense allowances unpaid					
11. Unauthorized reinsurance offset					
C. UNAUTHORIZED REINSURANCE					
(DEPOSITS BY AND FUNDS WITHHELD FROM)					
12. Funds deposited by and withheld from (F)					
13. Letters of credit (L)					
14. Trust agreements (T)					
15. Other (O)					

SCHEDULE S - PART 6
Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 10)			
2. Accident and health premiums due and unpaid (Line 12)			
3. Amounts recoverable from reinsurers (Line 13.1)			
4. Net credit for ceded reinsurance	X X X		
5. All other admitted assets (Balance)			
6. Total assets (Line 26)			
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7. Claims unpaid (Line 1)			
8. Accrued medical incentive pool and bonus payments (Line 2)			
9. Premiums received in advance (Line 8)			
10. Reinsurance in unauthorized companies (Line 18)			
11. All other liabilities (Balance)			
12. Total liabilities (Line 22)	N O N E		
13. Total capital and surplus (Line 30)		X X X	
14. Total liabilities, capital and surplus (Line 31)			
NET CREDIT FOR CEDED REINSURANCE			
15. Claims unpaid			
16. Accrued medical incentive pool			
17. Premiums received in advance			
18. Reinsurance recoverable on paid losses			
19. Other ceded reinsurance recoverables			
20. Total ceded reinsurance recoverables			
21. Premiums receivable			
22. Unauthorized reinsurance			
23. Other ceded reinsurance payables/offsets			
24. Total ceded reinsurance payables/offsets			
25. Total net credit for ceded reinsurance			

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

		1	2	Direct Business Only					
		Guaranty Fund (Yes or No)	Is Insurer Licensed (Yes or No)	3	4	5	6	7	8
State, Etc.				Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life & Annuity Premiums & Deposit-Type Contract Funds	Property/ Casualty Premiums
1.	Alabama (AL)	No ..	No ..						
2.	Alaska (AK)	No ..	No ..						
3.	Arizona (AZ)	No ..	No ..						
4.	Arkansas (AR)	No ..	No ..						
5.	California (CA)	No ..	No ..						
6.	Colorado (CO)	No ..	No ..						
7.	Connecticut (CT)	No ..	No ..						
8.	Delaware (DE)	No ..	No ..						
9.	District of Columbia (DC)	No ..	No ..						
10.	Florida (FL)	No ..	No ..						
11.	Georgia (GA)	No ..	No ..						
12.	Hawaii (HI)	No ..	No ..						
13.	Idaho (ID)	No ..	No ..						
14.	Illinois (IL)	No ..	No ..						
15.	Indiana (IN)	No ..	No ..						
16.	Iowa (IA)	No ..	No ..						
17.	Kansas (KS)	No ..	No ..						
18.	Kentucky (KY)	No ..	No ..						
19.	Louisiana (LA)	No ..	No ..						
20.	Maine (ME)	No ..	No ..						
21.	Maryland (MD)	No ..	No ..						
22.	Massachusetts (MA)	No ..	No ..						
23.	Michigan (MI)	No ..	No ..						
24.	Minnesota (MN)	No ..	No ..						
25.	Mississippi (MS)	No ..	No ..						
26.	Missouri (MO)	No ..	No ..						
27.	Montana (MT)	No ..	No ..						
28.	Nebraska (NE)	No ..	No ..						
29.	Nevada (NV)	No ..	No ..						
30.	New Hampshire (NH)	No ..	No ..						
31.	New Jersey (NJ)	No ..	No ..						
32.	New Mexico (NM)	No ..	No ..						
33.	New York (NY)	No ..	No ..						
34.	North Carolina (NC)	No ..	No ..						
35.	North Dakota (ND)	No ..	No ..						
36.	Ohio (OH)	No ..	No ..						
37.	Oklahoma (OK)	No ..	No ..						
38.	Oregon (OR)	No ..	No ..						
39.	Pennsylvania (PA)	No ..	No ..						
40.	Rhode Island (RI)	No ..	No ..						
41.	South Carolina (SC)	No ..	No ..						
42.	South Dakota (SD)	No ..	No ..						
43.	Tennessee (TN)	No ..	Yes ..			23,373			
44.	Texas (TX)	No ..	No ..						
45.	Utah (UT)	No ..	No ..						
46.	Vermont (VT)	No ..	No ..						
47.	Virginia (VA)	No ..	No ..						
48.	Washington (WA)	No ..	No ..						
49.	West Virginia (WV)	No ..	No ..						
50.	Wisconsin (WI)	No ..	No ..						
51.	Wyoming (WY)	No ..	No ..						
52.	American Samoa (AS)	No ..	No ..						
53.	Guam (GU)	No ..	No ..						
54.	Puerto Rico (PR)	No ..	No ..						
55.	U.S. Virgin Islands (VI)	No ..	No ..						
56.	Canada (CN)	No ..	No ..						
57.	Aggregate other alien (OT)	X X X ..	X X X ..						
58.	TOTAL (Direct Business)	X X X ..	(a). 1 ..			23,373			
DETAILS OF WRITE-INS									
5701	.....							
5702	.....							
5703	.....							
5798.	Summary of remaining write-ins for Line 57 from overflow page								
5799.	TOTALS (Lines 5701 through 5703 plus 5798) (Line 57 above) ..								

(a) Insert the number of yes responses except for Canada and Other Alien.
Explanation of basis of allocation of premiums by states, etc.:

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

SCHEDULE Y (continued)
PART 2 - SUMMARY OF INSURER’S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	Federal ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/(Disburse- ments) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
.....	.. 61-1530448 ..	Victory Managment Services, Inc. ....	.....	.....	.....	.....	4,906,273	.....	.....	.....	4,906,273	.....
.. 92579 ..	.. 62-1531881 ..	Victory Health Plan, Inc. ....	.....	.....	.....	.....	(4,652,917)	.....	.....	.....	(4,652,917)	.....
.....	.. 62-1832645 ..	Windsor Health Group, Inc. ....	.....	.....	.....	.....	(253,356)	.....	.....	.....	(253,356)	.....
9999999 Totals .....			.....	.....	.....	.....	.....	.....	X X X	.....	.....	.....

Schedule Y Part 2 Explanation:

SUPPLEMENTAL EXHIBITS AND SCHEDULES

INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	Response
MARCH FILING	
1. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	Yes
2. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	Yes
3. Will an actuarial certification be filed by March 1?	Yes
4. Will the Risk-based Capital Report be filed with the NAIC by March 1?	Yes
5. Will the Risk-based Capital Report be filed with the state of domicile, if required by March 1?	Yes
6. Will the SVO Compliance Certification be filed by March 1?	Yes
7. Will the Life Supplement be filed with the state of domicile and the NAIC by March 1?	No
8. Will the Property/Casualty Supplement be filed with the state of domicile and the NAIC by March 1?	No
APRIL FILING	
9. Will Management's Discussion and Analysis be filed by April 1?	Yes
10. Will the Long-term Care Experience Reporting Forms be filed with the state of domicile by April 1?	No
11. Will the Investment Risks Interrogatories be filed by April 1?	No
JUNE FILING	
12. Will an audited financial report be filed by June 1 with the state of domicile?	No
Explanations:	

Bar Codes:

Health Life Supplement



Health Property / Casualty Supplement



LTC Experience Reporting Form C



Supplemental Investment Risks Interrogatories



Audited Financial Report



OVERFLOW PAGE FOR WRITE-INS

E01 Schedule A - Part 1 Real Estate Owned - NONE

E02 Schedule A - Part 2 Real Estate Aquired - NONE

E03 Schedule A - Part 3 Real Estate Sold - NONE

E04 Schedule B - Part 1 Mortgage Loans Owned - NONE

E05 Schedule B - Part 2 Mortgage Loans Sold - NONE

E06 Schedule BA - Part 1 Invested Assets Owned - NONE

E07 Schedule BA - Part 2 Invested Assets Sold - NONE

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31, of Current Year

1	2	3	Interest		6	7	8	9	10	11	12	13	Interest		16	17	18	19	20	21	
			4	5									14	15							
CUSIP Identification	Description	*	Rate of	How Paid	Maturity Date	Option Date	Option Call Price	Book/ Adjusted Carrying Value	Par Value	Rate Used to Obtain Fair Value	Fair Value	Actual Cost	Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	Gross Amount Received During Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amount of Interest Due and Accrued Dec. 31 Current year, on Bonds in Default as to Principal or Interest	NAIC Desig- nation	Date Acquired	Effective Rate of Interest	
U.S. Governments - Issuer Obligations																					
31359MES8	Federal National Mortgage Association		5.625	5,11	05/14/2004			337,965	335,000	101.6330	340,470	349,826	1,570	18,844	(7,116)			1	04/23/2002	3.380	
31359MES8	Federal National Mortgage Association		5.625	5,11	05/14/2004			439,214	435,000	101.6330	442,103	455,227	2,039	24,469	(10,114)			1	06/04/2002	3.140	
3133MKYS0	Federal Home Loan Bank Note		4.125	1,7	01/14/2005			112,544	110,000	102.7840	113,062	115,088	2,269	4,537	(2,543)			1	01/10/2003	1.774	
3133MNS69	Federal Home Loan Bank Note		4.125	5,11	05/13/2005			103,667	100,000	103.3640	103,364	105,500	344	4,125	(1,834)			1	05/01/2003	1.369	
3134A4RA4	Federal Home Loan Mortgage Corporation		2.875	3,9	09/15/2005			334,125	330,000	101.7490	335,771	334,950	2,372	4,744	(825)			1	09/03/2003	2.117	
0199999 Subtotal - U.S. Governments - Issuer Obligations								1,327,515	1,310,000	X X X	1,334,770	1,360,591	8,594	56,719	(22,432)			X X X	X X X	X X X	
0399999 Subtotal - U.S. Governments								1,327,515	1,310,000	X X X	1,334,770	1,360,591	8,594	56,719	(22,432)				X X X	X X X	X X X
5499999 Subtotals - Issuer Obligations								1,327,515	1,310,000	X X X	1,334,770	1,360,591	8,594	56,719	(22,432)				X X X	X X X	X X X
6099999 Grand Total - Bonds								1,327,515	1,310,000	X X X	1,334,770	1,360,591	8,594	56,719	(22,432)				X X X	X X X	X X X

E09 Schedule D - Part 2 Sn 1 Prfrd Stocks Owned -..... NONE

E10 Schedule D - Part 2 Sn 2 Common Stocks Owned - NONE

SCHEDULE D - PART 3
Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8
CUSIP Identification	Description	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
Bonds - U.S. Governments							
3133MKYS0	Federal Home Loan Bank Note .....	... 01/10/2003 ..	AmSouth Investment Services .....	..... X X X .....	..... 115,088 .....	..... 110,000.00 .....	..... 2,218
3133MNS69	Federal Home Loan Bank Note .....	... 05/01/2003 ..	AmSouth Investment Services .....	..... X X X .....	..... 105,500 .....	..... 100,000.00 .....	..... 1,914
3134A4RA4	Federal Home Laon Mortgage Corpation Not .....	... 09/03/2003 ..	AmSouth Investment Services .....	..... X X X .....	..... 334,950 .....	..... 330,000.00 .....	..... 4,427
0399999	Subtotal - Bonds - U.S. Governments .....				..... 555,538 .....	..... 540,000.00 .....	..... 8,559
6099997	Subtotal - Bonds - Part 3 .....				..... 555,538 .....	..... 540,000.00 .....	..... 8,559
6099998	Summary item from Part 5 for Bonds						
6099999	Subtotal - Bonds .....				..... 555,538 .....	..... 540,000.00 .....	..... 8,559
6599998	Summary Item from Part 5 for Preferred Stocks .....					..... X X X .....	..... .....
7099998	Summary Item from Part 5 for Common Stocks .....					..... X X X .....	..... .....
7199999	Subtotal - Preferred and Common Stocks .....					..... X X X .....	..... .....
7299999	Totals .....				..... 555,538 .....	..... X X X .....	..... 8,559

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED, or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year
Bonds - U.S. Governments															
3133M5H60 ..	Federal Home Loan Bank Note	08/28/2003	AmSouth Investment Services .....	.... X X X ...	..... 330,000	... 330,000.00	..... 336,188	..... 330,000	.....	.....	.....	.....	.....	..... 18,826	.... X X X
3135866A2 ..	FNMA Med Term Note	01/10/2003	AmSouth Investment Services .....	.... X X X ...	..... 110,000	... 110,000.00	..... 109,175	..... 110,000	.....	.....	.....	.....	.....	..... 3,740	.... X X X
0399999	Subtotal - Bonds - U.S. Governments .....				..... 440,000	... 440,000.00	..... 445,363	..... 440,000	.....	.....	.....	.....	.....	..... 22,566	.... X X X
6099997	Subtotal - Bonds - Part 4 .....				..... 440,000	... 440,000.00	..... 445,363	..... 440,000	.....	.....	.....	.....	.....	..... 22,566	.... X X X
6099998	Summary Item from Part 5 for Bonds .....								.....	.....	.....	.....	.....		.... X X X
6099999	Subtotal - Bonds .....				..... 440,000	... 440,000.00	..... 445,363	..... 440,000	.....	.....	.....	.....	.....	..... 22,566	.... X X X
6599998	Summary Item from Part 5 for Preferred Stocks .....					.... X X X ...	.....		.....	.....	.....	.....	.....	.... X X X ....	.....
7099998	Summary Item from Part 5 for Common Stocks .....					.... X X X ...	.....		.....	.....	.....	.....	.....	.... X X X ....	.....
7199999	Subtotal - Preferred and Common Stocks .....					.... X X X ...	.....		.....	.....	.....	.....	.....	.... X X X ....	.....
7299999	Totals .....				..... 440,000	.... X X X ...	..... 445,363	..... 440,000	.....	.....	.....	.....	.....	..... 22,566	.....

E13	Schedule D - Part 5 LT Bonds/Stocks Aquired/Disp -	NONE
E14	Schedule D - Part 6 Sn 1 -	NONE
E14	Schedule D - Part 6 Sn 2 -	NONE
E15	Schedule DA - Part 1 ST Investments Owned -	NONE
E16	Schedule DB - Part A Sn 1 Opt/Cap/Floor Owned -	NONE
E16	Schedule DB - Part A Sn 2 Opt/Cap/Floor Aquired -	NONE
E17	Schedule DB - Part A Sn 3 Opt/Cap/Floor Term -	NONE
E17	Schedule DB - Part B Sn 1 Opt/Cap/Floor In-force -	NONE
E18	Schedule DB - Part B Sn 2 Opt/Cap/Floor Written -	NONE
E18	Schedule DB - Part B Sn 3 Opt/Cap/Floor Term -	NONE
E19	Schedule DB - Part C Sn 1 Col/Swap/Frwr Open -	NONE
E19	Schedule DB - Part C Sn 2 Col/Swap/Frwr Opened -	NONE
E20	Schedule DB - Part C Sn 3 Col/Swap/Frwr Term -	NONE
E20	Schedule DB - Part D Sn 1 Futures Contracts Open -	NONE
E21	Schedule DB - Part D Sn 2 Futures Contracts Opened -	NONE
E21	Schedule DB - Part D Sn 3 Futures Contracts Term -	NONE
E22	Schedule DB - Part E Sn 1 Counterparty Exposure -	NONE

SCHEDULE DM

For bonds and preferred stocks owned as of December 31, state the aggregate statement (admitted) value, the aggregate fair value, and the aggregate difference, if any, between them.

		1	2	3
		Statement (Admitted) Value	Fair Value (a)	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
1.	Bonds	1,327,515	1,334,770	7,255
2.	Preferred Stocks			
3.	TOTALS	1,327,515	1,334,770	7,255

(a) Amortized or book values shall not be substituted for fair values. Describe the sources or methods utilized in determining the fair values.: Fair Value is determined by the SVO value at December 31, 2003, received from the State of Tennessee.

SCHEDULE E - PART 1 - CASH

1			2	3	4	5	6
Depository			Rate of Interest	Amount of Interest Received During Year	Amount of Interest Accrued December 31 of Current Year	Balance	*
open depositories							
AmSouth Bank	Nashville, Tennessee		0.385	769		195,300	X X X
Bank of America, N.A.	Atlanta, Georgia			40,058		3,056,151	X X X
0199998 Deposits in depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories			X X X				X X X
0199999 Totals - Open Depositories			X X X	40,827		3,251,451	X X X
0299998 Deposits in depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories			X X X				X X X
0299999 Totals - Suspended Depositories			X X X				X X X
0399999 Total Cash On Deposit			X X X	40,827		3,251,451	X X X
0499999 Cash in Company's Office			X X X	X X X	X X X		X X X
0599999 Total Cash			X X X	40,827		3,251,451	X X X

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

1. January	4,333,861	4. April	4,256,900	7. July	3,238,318	10. October	3,164,852
2. February	4,148,551	5. May	3,754,208	8. August	3,254,264	11. November	3,189,072
3. March	4,641,671	6. June	3,520,089	9. September	3,291,631	12. December	3,249,489

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments owned December 31 of current year

1	2	3	4	5	6	7	8
CUSIP Identification	Description	Date Acquired	Rate of Interest	Maturity	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Gross Investment Income
<div>NONE</div>							
0199999 Total Cash Equivalents

SCHEDULE E - PART 3 - SPECIAL DEPOSITS

1 Line Number	2 Type	3 Description of Deposit	4 Where Deposited and Purpose of Deposit	5 Par or Book Value	6 Statement Value (a)	7 Fair Value
Tennessee						
TN00001	B	FNMA Benchmark 5.265% 05/14/2004	AmSouth Investment Services, Nashville TN TN RSD Pledged for Statutory	335,000	337,965	340,470
TN00002	B	FNMA Benchmark 5.265% 05/14/2004	AmSouth Investment Services, Nashville TN TN RSD Pledged for Statutory	435,000	439,214	442,103
TN00003	B	Federal Home Loan Bank Note 4.125% 01/14/2005	AmSouth Investment Services, Nashville TN TN RSD Pledged for Statutory	110,000	112,544	113,062
TN00004	B	Federal Home Loan Bank Note 4.125% 05/13/2005	AmSouth Investment Services, Nashville TN TN RSD Pledged for Statutory	100,000	103,667	103,364
TN00005	B	Federal Home Loan Mortgage Corp. 2.875% 09/15/2005	AmSouth Investment Services, Nashville TN TN RSD Pledged for Statutory	330,000	334,125	335,771
TN99999	Subtotals - Tennessee			1,310,000	1,327,515	1,334,770
XX99999	Subtotals - Special Deposits Not Held for the Benefit Of All Policyholders, Claimants and Creditors of the Company			1,310,000	1,327,515	1,334,770
9999999	Totals			1,310,000	1,327,515	1,334,770

(a) Including \$...... cash and short-term investments as defined in SSAP No.2 of the NAIC Accounting Practices and Procedures Manual.



Statement of Actuarial Opinion



SUPPLEMENTAL COMPENSATION EXHIBIT
(To be filed by March 1)

PART 1 - INTERROGATORIES

1. The reporting insurer is a member of a group of insurers or other holding company system:
If yes, do the below amounts represent 1) total gross compensation paid to each individual by or on behalf of all companies which are part of the group:
or 2) allocation to each insurer:

Yes[X] No[]
Yes[] No[X]
Yes[X] No[]
2. Did any person while an officer, director, or trustee of the reporting entity receive directly or indirectly, during the period covered by this statement any commission on the business transactions of the reporting entity?

Yes[] No[X]
3. Except for retirement plans generally applicable to its staff employees, has the reporting entity any agreement with any person, other than contracts with its agents for the payment of commissions whereby it agrees that for any service rendered or to be rendered, that he/she shall receive directly or indirectly, any salary, compensation or emolument that will extend beyond a period of 12 months from the date of the agreement?

Yes[] No[X]

PART 2 - OFFICERS AND EMPLOYEES COMPENSATION

1 Name and Principal Position	2 Year	Annual Compensation			
		3 Salary	4 Bonus	5 All Other Compensation	6 Totals
1. Director - 2002 & 2003 Chief Executive Officer - 2001 Philip Hertik	2003 .	44,276			44,276
	2002 .	195,088			195,088
	2001 .	81,213			81,213
2. Chief Executive Officer - 2002 & 2003 Chief Operating Officer - 2001 Michael Bailey	2003 .	98,294			98,294
	2002 .	249,189			249,189
	2001 .	111,565			111,565
3. Executive Vice President & Secretary Willis Jones, III	2003 .	66,396			66,396
	2002 .	167,121			167,121
	2001 .	72,051			72,051
4. Chief Information Officer Steven Yates	2003 .	60,234	2,125		62,359
	2002 .	145,760	20,492		166,252
	2001 .	99,060	106,969		206,029
5. Director of Database & Reporting Barry Shermer	2003 .	45,399	1,488		46,887
	2002 .	71,828	6,995		78,823
	2001 .	13,069			13,069
6. Medical Director Mark Mahler, MD	2003 .				
	2002 .				
	2001 .	31,831	133,000		164,831
7. Director of Medical Management Wendy Bottomley	2003 .				
	2002 .				
	2001 .	7,985			7,985
8.	2003 .				
	2002 .				
	2001 .				
9.	2003 .				
	2002 .				
	2001 .				
10.	2003 .				
	2002 .				
	2001 .				

PART 3 - DIRECTOR COMPENSATION

1 Name and Principal Position or Occupation	2 Compensation Paid or Deferred for Services as Director	3 All Other Compensation Paid or Deferred	4 Totals
<div>NONE</div>			
9999999			



SVO Compliance Certification

"The undersigned is an officer of the insurer responsible for reporting investments to the SVO and/or with making all filings with appropriate state regulatory officials and the NAIC and is therefore required to be familiar with the requirements of such filings. The undersigned officer certifies that, to the best of his or her knowledge, information, and belief, all prices or NAIC designations for the securities reported in this statement have been obtained directly from the SVO except as specifically identified below. The officer further certifies that, to the best of his or her knowledge, information, and belief, since the last filing of a quarterly or annual statement:

- 1. All securities previously valued by the insurer and identified by a Z suffix have now been submitted to the SVO for a valuation or disposed of by sale or otherwise with the result that all prices and NAIC Designations reported in this statement have been provided by the SVO, except for provisionally exempt securities and new purchases identified in Schedule D and DA with a Z suffix or items submitted but not yet processed by the SVO.
- 2. Any newly purchased securities now identified with a Z suffix shall be submitted to the SVO within 120 days of purchase.
- 3. All necessary information on securities that have been previously designated NR (not rated due to lack of current information) by the SVO have either been submitted to the SVO by the insurer for a valuation or disposed of by the insurer.
- 4. All material issuer events (as defined below) have been reported to the SVO."

A material issuer event is a generic or transaction specific credit event of which the insurer is currently aware that, by its nature, would signify to a reasonably prudent insurer that a material change in the credit quality or price of the investment or security has occurred.

As an illustration, and not by way of limitation, the following shall be deemed to constitute material issuer events:

- a. Recapitalizations or capital restructuring whether within or without Chapter 11 of the US Bankruptcy Code;
- b. Nonpayment, deferral, or payment in kind through waiver of any principal or contractual interest payment;
- c. Any change in the maturity of a security;
- d. Changes in the lender’s collateral position, including releases of collateral, or the taking of a collateral position whether by operation of negative pledge covenant or otherwise;
- e. Events of a like character or of a like effect, which would be considered material to an investment professional.
- f. Exceptions_____

Name of Investment Officer

Signature of Investment Officer

Title of Signatory

Date

LONG-TERM CARE (LTC) EXPERIENCE REPORTING FORM-A (Continued)

PART 2 - LTC INSURANCE EXPERIENCE BY LINE OF BUSINESS

	1 Earned Premiums By Duration	2 Incurred and Paid	3 Reserve for Incurred But Unpaid	4 Total Incurred Claims
1. Individual
2. Group Direct Response
3. Other Group
4. TOTAL (Sum of Lines 1 to 3)

PART 3 - EXPERIENCE FOR PRODUCTS PROVIDING LTC INSURANCE OTHER THAN ON A STAND-ALONE BASIS

	Premiums and Annuity Considerations		Benefits	
	1 Total	2 Long-Term Care Benefit Component	3 Total	4 Applied to Provide Long-Term Care Benefits
A. Products Providing LTC Benefits With Distinct LTC Premiums				
1. Individual - Life
2. Individual - Annuity
3. Individual - Disability
4. Individual - Other
5. Group - Life
6. Group - Annuity
7. Group - Disability
8. Group - Other
B. Products Providing LTC Benefits Without Distinct LTC Premiums				
1. Individual - Life
2. Individual - Annuity
3. Individual - Disability
4. Individual - Other
5. Group - Life
6. Group - Annuity
7. Group - Disability
8. Group - Other

LTCA-2

LONG-TERM CARE EXPERIENCE REPORTING FORM-B

	3	4	5	6	7	8
1. Individual X X X ...	... X X X ...	... X X X ...	... X X X ...
2. Group direct response X X X ...	... X X X ...	... X X X ...	... X X X ...
3. Other group X X X ...	... X X X ...	... X X X ...	... X X X ...
4. Total (Sum of Lines 1 to 3) X X X ...	... X X X ...	... X X X ...	... X X X ...
5. Actual total reported experience through statement year X X X ...	... X X X ...	... X X X ...	... X X X ...
6. Actual total reported experience through prior year X X X ...	... X X X ...	... X X X ...	... X X X ...
7. Calendar year reported experience (Lines 5 minus 6) X X X ...	... X X X ...	... X X X ...	... X X X ...

Note: a. Was experience prior to 1991 used in preparing this form? Yes[] No[X]
b. If yes, indicate the calendar years that were included:



Management’s Discussion and Analysis



SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES
Due April 1

For the year ended December 31, 2003

Of The

Victory Health Plan, Inc.

Address (City, State, Zip Code)

Brentwood, TN, 37027

NAIC Group Code

1268

NAIC Company Code

95792

Employer's ID Number

62-1531881

The Investment Risk Interrogatories are to be filed by April 1. They are also to be included with the Audited Statutory Financial Statements.

Answer the following interrogatories by stating the applicable U. S. dollar amounts and percentages of the reporting entity's total admitted assets held in that category of investments as shown on the Summary Investment Schedule. All reporting entities must answer interrogatories 1 through 4, 11, 13 through 17, 19 and if applicable, 20 through 24. Answer each of interrogatories 5 through 10 only if the reporting entity's aggregate holding in the gross investment category addressed in interrogatory 4 equals or exceeds 2.5% of the reporting entity's total admitted assets. Answer interrogatory 12 only if the reporting entity's aggregate holding in the gross investment category addressed in interrogatory 11 equals or exceeds 2.5% of the reporting entity's total admitted assets. Answer interrogatory 18 only if the reporting entity's aggregate holding in the gross investment category addressed in interrogatory 17 equals or exceeds 2.5% of the reporting entity's total admitted assets. For Life, Health and Fraternal blanks, responses are to exclude Separate Accounts. For Property Casualty blank, responses are to exclude Protected Cell Accounts.

1. State the reporting entity's total admitted assets as reported on Page 2 of this annual statement. \$..... 4,620,299

1	2	3
Investment Category	Amount	Percentage of Total Admitted Assets
2. State by investment category the 10 largest exposures to a single issuer/borrower/investment, excluding U.S. government, U.S. government agency securities and those U.S. Government money market funds listed in the Appendix to the SVO Purposes and Procedures Manual as exempt, property occupied by the company and policy loans.		
2.01		
2.02		
2.03		
2.04		
2.05		
2.06		
2.07		
2.08		
2.09		
2.10		

NAIC Rating	1 Amount	2 Percent
3. State the amounts and percentages of the reporting entity's total admitted assets held in bonds and preferred stocks by NAIC rating.		
Bonds		
3.01 NAIC-1		
3.02 NAIC-2		
3.03 NAIC-3		
3.04 NAIC-4		
3.05 NAIC-5		
3.06 NAIC-6		
Preferred Stocks		
3.07 P/RP-1		
3.08 P/RP-2		
3.09 P/RP-3		
3.10 P/RP-4		
3.11 P/RP-5		
3.12 P/RP-6		

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

Description		1 Amount	2 Percent
4.	State the amounts and percentages of the reporting entity's total admitted assets held in foreign investments (regardless of whether there is any foreign currency exposure) and unhedged foreign currency exposure (defined as the statement value of investments denominated in foreign currencies which are not hedged by financial instruments qualifying for hedge accounting as specified in SSAP No. 31 - Derivative Instruments and SSAP No. 86 - Derivative Instruments), including: 4.01 Foreign-currency-denominated investments of 4.02 Supporting insurance liabilities denominated in that same foreign currency of 4.03 Excluding Canadian investments and currency exposure of 4.04 Assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets, therefore detail not required for interrogatories 5 - 10 Yes[] No[X] ...		

Description		1 Amount	2 Percent
5.	Aggregate foreign investment exposure categorized by NAIC sovereign rating: 5.01 Countries rated NAIC-1 5.02 Countries rated NAIC-2 5.03 Countries rated NAIC-3 or below		

Description		1 Amount	2 Percent
6.	Two largest foreign investment exposures to a single country, categorized by the country's NAIC sovereign rating: Countries rated NAIC-1: 6.01 6.02 Countries rated NAIC-2: 6.03 6.04 Countries rated NAIC-3 or below: 6.05 6.06		

Description		1 Amount	2 Percent
7.	Aggregate unhedged foreign currency exposure		

Description		1 Amount	2 Percent
8.	Aggregate unhedged foreign currency exposure categorized by NAIC sovereign rating: 8.01 Countries rated NAIC-1 8.02 Countries rated NAIC-2 8.03 Countries rated NAIC-3 or below		

Description		1 Amount	2 Percent
9.	Two largest unhedged foreign currency exposures to a single country, categorized by the country's NAIC sovereign rating: Countries rated NAIC-1: 9.01 9.02 Countries rated NAIC-2: 9.03 9.04 Countries rated NAIC-3 or below: 9.05 9.06		

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

Description - Include NAIC rating		1 Amount	2 Percent
10.	List the 10 largest non-sovereign (i.e. non-governmental) foreign issues:		
10.01	.....	.....	.....
10.02	.....	.....	.....
10.03	.....	.....	.....
10.04	.....	.....	.....
10.05	.....	.....	.....
10.06	.....	.....	.....
10.07	.....	.....	.....
10.08	.....	.....	.....
10.09	.....	.....	.....
10.10	.....	.....	.....

Description		1 Amount	2 Percent
11.	State the amounts and percentages of the reporting entity's total admitted assets held in Canadian investments and unhedged Canadian currency exposure, including:		
11.01	Canadian-currency-denominated investments of .....	.....	.....
11.02	Supporting Canadian-denominated insurance liabilities of .....	.....	.....
11.03	Assets held in Canadian investments less than 2.5% of the reporting entity's total admitted assets, therefore detail not required for interrogatory 12.	Yes[] No[X] ...	

Description		1 Amount	2 Percent
12.	Aggregate Canadian investment exposure.		
12.01	Canadian investments .....	.....	.....
12.02	Unhedged Canadian currency exposure .....	.....	.....

13. State the aggregate amounts and percentages of the reporting entity's total admitted assets held in investments with contractual sales restrictions (defined as investments having restrictions that prevent investments from being sold within 90 days).
Assets held in investments with contractual sales restrictions less than 2.5 % of the reporting entity's total admitted assets, therefore detail not required for interrogatory 13.

Yes[] No[X]

Description		1 Amount	2 Percent
13.01	Aggregate statement value of investments with contractual sales restrictions .....	.....	.....
Largest 3 investments with contractual sales restrictions:			
13.02	.....	.....	.....
13.03	.....	.....	.....
13.04	.....	.....	.....

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

14. State the amounts and percentages of admitted assets held in the largest 10 equity interests (including investments in the shares of mutual funds, preferred stocks, publicly traded equity securities, and other equity securities, and excluding money market and bond mutual funds listed in the Appendix to the SVO Practices and Procedures Manual as exempt or Class 1).
Assets held in equity interests less than 2.5% of the reporting entity's total admitted assets, therefore detail not required for interrogatory 14.

Yes[] No[X]

1 Investment Category	2 Amount	3 Percent
Assets held in equity interests:		
14.01
14.02
14.03
14.04
14.05
14.06
14.07
14.08
14.09
14.10

15. State the amounts and percentages of the reporting entity's total admitted assets held in nonaffiliated, privately placed equities (included in other equity securities) and excluding securities eligible for sale under Securities Exchange Commission (SEC) Rule 144a or SEC Rule 144 without volume restrictions.
Assets held in nonaffiliated, privately placed equities less than 2.5% of the reporting entity's total admitted assets, therefore detail not required for interrogatory 15.

Yes[] No[X]

1 Description	2 Amount	3 Percent
15.01 Aggregate statement value of investments held in nonaffiliated, privately placed equities		
Largest 3 investments held in nonaffiliated, privately placed equities:		
15.02
15.03
15.04

16. State the amounts and percentages of the reporting entity's total admitted assets held in general partnership interests (included in other equity securities).

Assets held in general partnership interests less than 2.5 % of the reporting entity's total admitted assets, therefore detail not required for interrogatory 16.

Yes[] No[X]

1 Description	2 Amount	3 Percent
16.01 Aggregate statement value of investments held in general partnership interests		
Largest 3 investments with contractual sales restrictions:		
16.02
16.03
16.04

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

17. With respect to mortgage loans reported in Schedule B, state the amounts and percentages of the reporting entity's total admitted assets held.

Mortgage loans reported in Schedule B less than 2.5% of the reporting entity's total admitted assets, therefore detail not required for interrogatories 17 and 18.
Each of the 10 largest aggregate mortgage interests. The aggregate mortgage interest represents the combined value of all mortgages secured by the same property or same group of properties:

Yes[] No[X]

1 Type (Residential, Commercial, Agricultural)		2 Amount	3 Percent
17.01
17.02
17.03
17.04
17.05
17.06
17.07
17.08
17.09
17.10

Loan-to-Value		Residential		Commercial		Agricultural	
		1 Amount	2 Percent	3 Amount	4 Percent	5 Amount	6 Percent
18.	Aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:						
18.01	Above 95% .....	.....	.....	.....	.....	.....	.....
18.02	91% to 95% .....	.....	.....	.....	.....	.....	.....
18.03	81% to 90% .....	.....	.....	.....	.....	.....	.....
18.04	71% to 80% .....	.....	.....	.....	.....	.....	.....
18.05	Below 70% .....	.....	.....	.....	.....	.....	.....

Description		1 Amount	2 Percent
18.06	Construction loans .....	.....	.....
18.07	Mortgage loans over 90 days past due .....	.....	.....
18.08	Mortgage loans in the process of foreclosure .....	.....	.....
18.09	Mortgage loans foreclosed .....	.....	.....
18.10	Restructured mortgage loans .....	.....	.....

19. State the amounts and percentages of the reporting entity's total admitted assets held in each of the five largest investments in one parcel or group of contiguous parcels of real estate reported in Schedule A, excluding property occupied by the company.

Assets held in each of the five largest investments in one parcel or group of contiguous parcels of real estate reported in Schedule A less than 2.5% of the reporting entity's total admitted assets, therefore detail not required for interrogatory 19.

Yes[] No[X]

1 Description		2 Amount	3 Percent
19.01
19.02
19.03
19.04
19.05

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

Description		At Year-End		Amount at End of Each Quarter		
		Amount 1	Percent 2	1st Qtr 3	2nd Qtr 4	3rd Qtr 5
20.	State the amounts and percentages of the reporting entity's total admitted assets subject to the following types of agreements:					
20.01	Securities lending (do not include assets held as collateral for such transactions)					
20.02	Repurchase agreements					
20.03	Reverse repurchase agreements					
20.04	Dollar repurchase agreements					
20.05	Dollar reverse repurchase agreements					

Description		Owned		Written	
		1 Amount	2 Percent	3 Amount	4 Percent
21.	State the amounts and percentages indicated below for warrants not attached to other financial instruments, options, caps, and floors:				
21.01	Hedging				
21.02	Income generation				
21.03	Other				

Description		At Year-End		Amount at End of Each Quarter		
		Amount 1	Percent 2	1st Qtr 3	2nd Qtr 4	3rd Qtr 5
22.	State the amounts and percentages indicated below of potential exposure (defined as the amount determined in accordance with the NAIC Annual Statement Instructions) for collars, swaps, and forwards:					
22.01	Hedging					
22.02	Income generation					
22.03	Replications					
22.04	Other					

Description		At Year-End		Amount at End of Each Quarter		
		Amount 1	Percent 2	1st Qtr 3	2nd Qtr 4	3rd Qtr 5
23.	State the amounts and percentages indicated below of potential exposure (defined as the amount determined in accordance with the NAIC Annual Statement Instructions) for futures contracts:					
23.01	Hedging					
23.02	Income generation					
23.03	Replications					
23.04	Other					

1 Investments		2 Amount	3 Percent
24.	State the amounts and percentages of 10 largest investments included in the Write-ins for Invested Assets category included on the Summary Investment Schedule:		
24.01	.....	
24.02	.....	
24.03	.....	
24.04	.....	
24.05	.....	
24.06	.....	
24.07	.....	
24.08	.....	
24.09	.....	
24.10	.....	



Audited Financial Report

LS1 Life Supplement Title Page - NONE

LS2 Exhibit 5 - Aggregate Reserve for Life - NONE

LS3 Exhibit 5 - Interrogatories - NONE

LS4 Exhibit 7 - Deposit Type Contracts - NONE

LS5 Schedule S - Part 1 - Section 1 - NONE

LS6 Schedule S - Part 3 - Section 1 - NONE

OVERFLOW PAGE FOR WRITE-INS

OVERFLOW PAGE FOR WRITE-INS

PS1	Property Supplement Title Page -	NONE
PS2	Schedule F Part 1 Assumed Reinsurance -	NONE
PS3	Schedule F Part 3 Ceded Reinsurance -	NONE
PS4	Schedule P - Part 1 Summary -	NONE
PS5	Schedule P - Part 1A -	NONE
PS6	Schedule P - Part 1B -	NONE
PS7	Schedule P - Part 1C -	NONE
PS8	Schedule P - Part 1D -	NONE
PS9	Schedule P - Part 1E -	NONE
PS10	Schedule P - Part 1F Sn 1 -	NONE
PS11	Schedule P - Part 1F Sn 2 -	NONE
PS12	Schedule P - Part 1G -	NONE
PS13	Schedule P - Part 1H Sn 1 -	NONE
PS14	Schedule P - Part 1H Sn 2 -	NONE
PS15	Schedule P - Part 1I -	NONE
PS16	Schedule P - Part 1J -	NONE
PS17	Schedule P - Part 1K -	NONE
PS18	Schedule P - Part 1L -	NONE
PS19	Schedule P - Part 1M -	NONE
PS20	Schedule P - Part 1N -	NONE
PS21	Schedule P - Part 1O -	NONE

PS22	Schedule P - Part 1P -	NONE
PS23	Schedule P - Part 1R Sn 1 -	NONE
PS24	Schedule P - Part 1R Sn 2 -	NONE
PS25	Schedule P - Part 1S -	NONE
PS26	Schedule P - Part 2 Summary -	NONE
PS27	Schedule P - Part 2A -	NONE
PS27	Schedule P - Part 2B -	NONE
PS27	Schedule P - Part 2C -	NONE
PS27	Schedule P - Part 2D -	NONE
PS27	Schedule P - Part 2E -	NONE
PS28	Schedule P - Part 2F Sn 1 -	NONE
PS28	Schedule P - Part 2F Sn 2 -	NONE
PS28	Schedule P - Part 2G -	NONE
PS28	Schedule P - Part 2H Sn 1 -	NONE
PS28	Schedule P - Part 2H Sn 2 -	NONE
PS29	Schedule P - Part 2I -	NONE
PS29	Schedule P - Part 2J -	NONE
PS29	Schedule P - Part 2K -	NONE
PS29	Schedule P - Part 2L -	NONE
PS29	Schedule P - Part 2M -	NONE
PS30	Schedule P - Part 2N -	NONE
PS30	Schedule P - Part 2O -	NONE
PS30	Schedule P - Part 2P -	NONE
PS31	Schedule P - Part 2R Sn 1 -	NONE
PS31	Schedule P - Part 2R Sn 2 -	NONE
PS31	Schedule P - Part 2S -	NONE
PS32	Schedule P - Part 3 Summary (Work Paper) -	NONE
PS33	Schedule P - Part 3A (Work Paper) -	NONE
PS33	Schedule P - Part 3B (Work Paper) -	NONE
PS33	Schedule P - Part 3C (Work Paper) -	NONE
PS33	Schedule P - Part 3D (Work Paper) -	NONE
PS33	Schedule P - Part 3E (Work Paper) -	NONE
PS34	Schedule P - Part 3F Sn 1 (Work Paper) -	NONE
PS34	Schedule P - Part 3F Sn 2 (Work Paper) -	NONE
PS34	Schedule P - Part 3G (Work Paper) -	NONE
PS34	Schedule P - Part 3H Sn 1 (Work Paper) -	NONE
PS34	Schedule P - Part 3H Sn 2 (Work Paper) -	NONE
PS35	Schedule P - Part 3I (Work Paper) -	NONE
PS35	Schedule P - Part 3J (Work Paper) -	NONE
PS35	Schedule P - Part 3K (Work Paper) -	NONE
PS35	Schedule P - Part 3L (Work Paper) -	NONE
PS35	Schedule P - Part 3M (Work Paper) -	NONE
PS36	Schedule P - Part 3N (Work Paper) -	NONE
PS36	Schedule P - Part 3O (Work Paper) -	NONE
PS36	Schedule P - Part 3P (Work Paper) -	NONE
PS37	Schedule P - Part 3R Sn 1 (Work Paper) -	NONE
PS37	Schedule P - Part 3R Sn 2 (Work Paper) -	NONE
PS37	Schedule P - Part 3S (Work Paper) -	NONE

OVERFLOW PAGE FOR WRITE-INS



INSURANCE EXPENSE EXHIBIT
FOR THE YEAR ENDED DECEMBER 31, 2003

OF THE Victory Health Plan, Inc.

ADDRESS (City, State and Zip Code) Brentwood, TN 37027

NAIC Group Code 1268 NAIC Company Code 95792 Federal Employer's Indetification Number (FEIN) 62-1531881

Contact Person Jennifer Giannotti Title _____ Telephone (615)782-7914

INTERROGATORIES

1. Change in reserve for deferred maternity and other similar benefits to be reflected in:

1.1 Premiums Earned

1.2 Losses Incurred

1.3 Not Applicable

Yes[] No[X]

Yes[] No[X]

Yes[] No[X]

2. Indicate amounts received from securities subject to proration for federal tax purposes. Report amounts in whole dollars only:

2.1 Amount included on Exhibit of Net Investment Income, Line 1.1, Column 2

2.2 Amount included on Exhibit of Net Investment Income, Line 2.1, Column 2

2.3 Amount included on Exhibit of Net Investment Income, Line 2.11, Column 2

2.4 Amount included on Exhibit of Net Investment Income, Line 2.2, Column 2

2.5 Amount included on Exhibit of Net Investment Income, Line 2.21, Column 2

\$.....

\$.....

\$.....

\$.....

\$.....

3. Indicate amounts shown in the Annual Statement for the following items. Report amounts in whole dollars only:

3.1 Net Investment Income, Page 4, Line 9, Column 1

3.2 Realized Capital Gain or (Loss), Page 4, Line 10, Column 1

\$.....

\$.....

4.1 The information provided in the Insurance Expense Exhibit will be used by many persons to estimate the allocation of expenses and profit to the various lines of business. Are there any items requiring special comment or explanation?

4.2 Are items allocated to lines of business in Parts II and III using methods not defined in the instructions?

4.3 If yes, explain

Yes[] No[X]

Yes[] No[X]

PART I - ALLOCATION TO EXPENSE GROUPS
(000 OMITTED)

Operating Expense Classifications		1 Loss Adjustment Expense	Other Underwriting Expenses			5 Investment Expenses	6 Total Expenses
			2 Acquisition, Field Supervision and Collection Expenses	3 General Expenses	4 Taxes, Licenses and Fees		
1.	Claim adjustment services:						
	1.1 Direct						
	1.2 Reinsurance assumed						
	1.3 Reinsurance ceded						
	1.4 Net claim adjustment services (Lines 1.1 + 1.2 - 1.3) ..						
2.	Commission and brokerage:						
	2.1 Direct excluding contingent						
	2.2 Reinsurance assumed excluding contingent						
	2.3 Reinsurance ceded excluding contingent						
	2.4 Contingent - direct						
	2.5 Contingent - reinsurance assumed						
	2.6 Contingent - reinsurance ceded						
	2.7 Policy and membership fees						
	2.8 Net commission and brokerage (Lines 2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 +2.7)						
3.	Allowances to managers and agents						
4.	Advertising						
5.	Boards, bureaus and associations						
6.	Surveys and underwriting reports						
7.	Audit of assureds' records						
8.	Salary related items:						
	8.1 Salaries						
	8.2 Payroll taxes						
9.	Employee relations and welfare						
10.	Insurance						
11.	Directors' fees						
12.	Travel and travel items						
13.	Rent and rent items						
14.	Equipment						
15.	Cost or depreciation of EDP equipment and software						
16.	Printing and stationery						
17.	Postage, telephone and telegraph, exchange and express ...						
18.	Legal and auditing						
19.	TOTALS (Lines 3 to 18)						
20.	Taxes, licenses and fees:						
	20.1 State and local insurance taxes deducting guaranty association credits of \$.....						
	20.2 Insurance department licenses and fees						
	20.3 Gross guaranty association assessments						
	20.4 All other (excluding Federal and foreign income and real estate)						
	20.5 TOTAL taxes, licenses and fees (Lines 20.1 + 20.2 + 20.3 + 20.4)						
21.	Real estate expenses						
22.	Real estate taxes						
23.	Reimbursement by uninsured accident and health plans	X X X	X X X	X X X	X X X	X X X	X X X
24.	Aggregate write-ins for Miscellaneous Operating Expenses ..						
25.	TOTAL EXPENSES INCURRED						
DETAILS OF WRITE-INS							
2401	.....					
2402	.....					
2403	.....					
2498.	Summary of remaining write-ins for Line 24 from overflow page						
2499.	TOTALS (Lines 2401 through 2403 plus 2498) (Line 24 above)						

PART II - ALLOCATION TO LINES OF BUSINESS NET OF REINSURANCE
(000 OMITTED)

PREMIUMS, LOSSES, EXPENSES, RESERVES AND PROFITS, AND PERCENTAGES TO PREMIUMS EARNED FOR BUSINESS NET OF REINSURANCE		Premiums Written (Page 8, Part 1B, Column 6)		Premiums Earned (Page 6, Part 1, Column 4)		Dividends to Policyholders (Page 4, Line 17)		Incurred Loss (Page 9, Part 2, Column 7)		Defense and Cost Containment Expenses Incurred		Adjusting and Other Expenses Incurred		Unpaid Losses (Page 10, Part 2A, Column 8)		Defense and Cost Containment Expenses Unpaid		Adjusting and Other Expenses Unpaid		Unearned Premium Reserves (Page 7, Part 1A, Column 5)		Agents' Balances (Page 2, Lines 10.1 plus 10.2 Less Pg 3, Line 12)	
		1 Amount	2 %	3 Amount	4 %	5 Amount	6 %	7 Amount	8 %	9 Amount	10 %	11 Amount	12 %	13 Amount	14 %	15 Amount	16 %	17 Amount	18 %	19 Amount	20 %	21 Amount	22 %
1.	Fire		X X X		100.00																		
2.1	Allied Lines		X X X		100.00																		
2.2	Multiple Peril Crop		X X X		100.00																		
2.3	Federal Flood		X X X		100.00																		
3.	Farmowners Multiple Peril		X X X		100.00																		
4.	Homeowners Multiple Peril		X X X		100.00																		
5.1	Commercial Multiple Peril (Non-Liability Portion)		X X X		100.00																		
5.2	Commercial Multiple Peril (Liability Portion)		X X X		100.00																		
6.	Mortgage Guaranty		X X X		100.00																		
8.	Ocean Marine		X X X		100.00																		
9.	Inland Marine		X X X		100.00																		
10.	Financial Guaranty		X X X		100.00																		
11.	Medical Malpractice		X X X		100.00																		
12.	Earthquake		X X X		100.00																		
13.	Group A & H (See Interrogatory 1)		X X X		100.00																		
14.	Credit A & H		X X X		100.00																		
15.	Other A & H (See Interrogatory 1)		X X X		100.00																		
16.	Workers' Compensation		X X X		100.00																		
17.	Other Liability		X X X		100.00																		
18.	Products Liability		X X X		100.00																		
19.1	19.2 Private Passenger Auto Liability		X X X		100.00																		
19.3	19.4 Commercial Auto Liability		X X X		100.00																		
21.1	Private Passenger Auto Physical Damage		X X X		100.00																		
21.2	Commercial Auto Physical Damage		X X X		100.00																		
22.	Aircraft (all perils)		X X X		100.00																		
23.	Fidelity		X X X		100.00																		
24.	Surety		X X X		100.00																		
26.	Burglary and Theft		X X X		100.00																		
27.	Boiler and Machinery		X X X		100.00																		
28.	Credit		X X X		100.00																		
29.	International		X X X		100.00																		
30.	31, 32 Reinsurance-Nonproportional Assumed		X X X		100.00																		
33.	Aggregate write-ins for Other Lines of Business		X X X		100.00																		
34.	TOTAL (Lines 1 through 33)		X X X		100.00																		
DETAILS OF WRITE-INS																							
3301	.....		X X X																				
3302	.....		X X X																				
3303	.....		X X X																				
3398.	Summary of remaining write-ins for Line 33 from overflow page		X X X		100.00																		
3399.	TOTALS (Lines 3301 through 3303 plus 3398) (Line 33 above)		X X X		100.00																		

EE4

PART II - ALLOCATION TO LINES OF BUSINESS NET OF REINSURANCE (Continued)

(000 OMITTED)

IEE-5

PREMIUMS, LOSSES, EXPENSES RESERVES AND PROFITS, AND PERCENTAGES TO PREMIUMS EARNED FOR BUSINESS NET OF REINSURANCE		Commission and Brokerage Expenses Incurred (IEE Part I, Line 2.8, Column 2)		Taxes, Licenses and Fees Incurred (IEE Part I, Line 20.5, Column 4)		Other Acquisitions, Field Supervision, & Collection Expenses Incurred (IEE Part I, Line 25 - 2.8, Col. 2)		General Expenses Incurred (IEE Part I, Line 25, Column 3)		Other Income Less Other Expenses (Page 4, Line 15 minus Line 5)		Pre-Tax Profit or Loss Excluding All Investment Gain		Investment Gain on Funds Attributable to Insurance Transactions		Profit or Loss Excluding Investment Gain Attributable to Capital and Surplus		Investment Gain Attributable to Capital and Surplus		Total Profit or Loss	
		23 Amount	24 %	25 Amount	26 %	27 Amount	28 %	29 Amount	30 %	31 Amount	32 %	33 Amount	34 %	35 Amount	36 %	37 Amount	38 %	39 Amount	40 %	41 Amount	42 %
1.	Fire																				
2.1	Allied Lines																				
2.2	Multiple Peril Crop																				
2.3	Federal Flood																				
3.	Farmowners Multiple Peril																				
4.	Homeowners Multiple Peril																				
5.1	Commercial Multiple Peril (Non-Liability Portion)																				
5.2	Commercial Multiple Peril (Liability Portion)																				
6.	Mortgage Guaranty																				
8.	Ocean Marine																				
9.	Inland Marine																				
10.	Financial Guaranty																				
11.	Medical Malpractice																				
12.	Earthquake																				
13.	Group A & H (See Interrogatory 1)																				
14.	Credit A & H																				
15.	Other A & H (See Interrogatory 1)																				
16.	Workers' Compensation																				
17.	Other Liability																				
18.	Products Liability																				
19.1	19.2 Private Passenger Auto Liability																				
19.3	19.4 Commercial Auto Liability																				
21.1	Private Passenger Auto Physical Damage																				
21.2	Commercial Auto Physical Damage																				
22.	Aircraft (all perils)																				
23.	Fidelity																				
24.	Surety																				
26.	Burglary and Theft																				
27.	Boiler and Machinery																				
28.	Credit																				
29.	International																				
30,	31, 32 Reinsurance-Nonproportional Assumed																				
33.	Aggregate write-ins for Other Lines of Business																				
34.	TOTAL (Lines 1 through 33)																				
DETAILS OF WRITE-INS																					
3301	.....																			
3302	.....																			
3303	.....																			
3398.	Summary of remaining write-ins for Line 33 from overflow page																				
3399.	TOTALS (Lines 3301 through 3303 plus 3398) (Line 33 above)																				

NOTE: THE ALLOCATION OF INVESTMENT INCOME FROM CAPITAL AND SURPLUS BY LINE OF BUSINESS MAY NOT ACCURATELY REFLECT THE PROFITABILITY OF A PARTICULAR LINE FOR USE IN THE RATE MAKING PROCESS.

PART III - ALLOCATION TO LINES OF DIRECT BUSINESS WRITTEN
(000 OMITTED)

PREMIUMS, LOSSES, EXPENSES, RESERVES AND PROFITS, AND PERCENTAGES TO PREMIUMS EARNED FOR DIRECT BUSINESS WRITTEN		Premiums Written (Page 8, Part 1B, Column 1)		Premiums Earned (Schedule T, Line 58, Column 3)		Dividends to Policyholders		Incurred Loss (Schedule T, Line 58, Column 6)		Defense and Cost Containment Expenses Incurred		Adjusting and Other Expenses Incurred		Unpaid Losses (Schedule T, Line 58, Column 7)		Defense and Cost Containment Expenses Unpaid		Adjusting and Other Expenses Unpaid		Unearned Premium Reserves		Agents' Balances	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1.	Fire		X X X		100.00																		
2.1	Allied lines		X X X		100.00																		
2.2	Multiple Peril Crop		X X X		100.00																		
2.3	Federal Flood		X X X		100.00																		
3.	Farmowners Multiple Peril		X X X		100.00																		
4.	Homeowners Multiple Peril		X X X		100.00																		
5.1	Commercial Multiple Peril (Non-liability Portion)		X X X		100.00																		
5.2	Commercial Multiple Peril (Liability Portion)		X X X		100.00																		
6.	Mortgage Guaranty		X X X		100.00																		
8.	Ocean Marine		X X X		100.00																		
9.	Inland Marine		X X X		100.00																		
10.	Financial Guaranty		X X X		100.00																		
11.	Medical Malpractice		X X X		100.00																		
12.	Earthquake		X X X		100.00																		
13.	Group A & H (See Interrogatory 1)		X X X		100.00																		
14.	Credit A & H		X X X		100.00																		
15.	Other A & H (See Interrogatory 1)		X X X		100.00																		
16.	Workers' Compensation		X X X		100.00																		
17.	Other Liability		X X X		100.00																		
18.	Products Liability		X X X		100.00																		
19.1	19.2 Private Passenger Auto Liability		X X X		100.00																		
19.3	19.4 Commercial Auto Liability		X X X		100.00																		
21.1	Private Passenger Auto Physical Damage		X X X		100.00																		
21.2	Commercial Auto Physical Damage		X X X		100.00																		
22.	Aircraft (all perils)		X X X		100.00																		
23.	Fidelity		X X X		100.00																		
24.	Surety		X X X		100.00																		
26.	Burglary and Theft		X X X		100.00																		
27.	Boiler and Machinery		X X X		100.00																		
28.	Credit		X X X		100.00																		
29.	International		X X X		100.00																		
33.	Aggregate write-ins for Other Lines of Business		X X X		100.00																		
34.	TOTAL (Lines 1 through 33)		X X X		100.00																		
DETAILS OF WRITE-INS																							
3301	.....		X X X																			
3302	.....		X X X																			
3303	.....		X X X																			
3398.	Summary of remaining write-ins for Line 33 from overflow page		X X X		100.00																		
3399.	TOTALS (Lines 3301 through 3303 plus 3398) (Line 33 above)		X X X		100.00																		

IEE-6

PART III - ALLOCATION TO LINES OF DIRECT BUSINESS WRITTEN (Continued)
(000 OMITTED)

PREMIUMS, LOSSES, EXPENSES, RESERVES AND PROFITS, AND PERCENTAGES TO PREMIUMS EARNED FOR DIRECT BUSINESS WRITTEN		Commission and Brokerage Expenses Incurred		Taxes, Licenses and Fees Incurred		Other Acquisitions, Field Supervision, and Collection Expenses Incurred		General Expenses Incurred		Other Income less Other Expenses		Pre-Tax Profit or Loss Excluding All Investment	
		23 Amount	24 %	25 Amount	26 %	27 Amount	28 %	29 Amount	30 %	31 Amount	32 %	33 Amount	34 %
1.	Fire												
2.1	Allied Lines												
2.2	Multiple Peril Crop												
2.3	Federal Flood												
3.	Farmowners Multiple Peril												
4.	Homeowners Multiple Peril												
5.1	Commercial Multiple Peril (Non-Liability Portion)												
5.2	Commercial Multiple Peril (Liability Portion)												
6.	Mortgage Guaranty												
8.	Ocean Marine												
9.	Inland Marine												
10.	Financial Guaranty												
11.	Medical Malpractice												
12.	Earthquake												
13.	Group A & H (See Interrogatory 1)												
14.	Credit A & H												
15.	Other A & H (See Interrogatory 1)												
16.	Workers' Compensation												
17.	Other Liability												
18.	Products Liability												
19.1	19.2 Private Passenger Auto Liability												
19.3	19.4 Commercial Auto Liability												
21.1	Private Passenger Auto Physical Damage												
21.2	Commercial Auto Physical Damage												
22.	Aircraft (all perils)												
23.	Fidelity												
24.	Surety												
26.	Burglary and Theft												
27.	Boiler and Machinery												
28.	Credit												
29.	International												
33.	Aggregate write-ins for Other Lines of Business												
34.	TOTAL (Lines 1 through 33)												
DETAILS OF WRITE-INS													
3301	.....											
3302	.....											
3303	.....											
3398.	Summary of remaining write-ins for Line 33 from overflow page												
3399.	TOTALS (Lines 3301 through 3303 plus 3398) (Line 33 above)												

OVERFLOW PAGE FOR WRITE-INS

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